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FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

REGULAR MEETING

DOCUMENTS DEPT.

MAY 07 1998

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WEDNESDAY, MAY 6, 1998 - 1:00 P.M.

VETERANS BUILDING
401 VAN NESS AVENUE
ROOM 410

MEMBERS: SUPERVISORS MABEL TENG, BARBARA KAUFMAN, GAVIN NEWSOM

ABSENT: Supervisor Kaufman for action on Item 8.

CLERK: JONI BLANCHARD

CONSENT CALENDAR

1. All items listed hereunder constitute a Consent Calendar, are considered to be routine by the Committee and will be acted upon by a single, roll-call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.

- a. File 98-0399. [Reserved Funds, Dept. of Parking and Traffic] Hearing to consider release of reserved funds, Department of Parking and Traffic (Parking Meter Revenue Bond proceeds, Ord. No. 415-94), in the amount of \$1,200,000, to renovate the St. Mary's Square Garden damaged in the Loma Prieta Earthquake. (Department of Parking and Traffic)

ACTION: Release of \$1,200,000 approved. Filed.

- b. File 98-0650. [Reserved Funds, Recreation and Park Department] Hearing to consider release of reserved funds, Recreation & Park Department (FY 1997-98 budget), in the amount of \$300,000 to fund the contractual services of Young & de la Sota Architects for the facilities assessment project, a City-wide analysis of all facilities and parks. (Recreation and Park Department)

ACTION: Release of \$300,000 approved. Filed.

- c. File 98-0653. [Reserved Funds, Port] Hearing to consider release of reserved funds, Port Commission (San Francisco Harbor Operating Funds, Ord. No. 470-96), in the amount of \$26,000 to fund the design work for the Agricultural Building exterior exit stairs. (Port Commission)

ACTION: Release of \$26,000 approved. Filed.

5. File 98-0616. [Salary Ordinance Amendment, Building Inspection] Ordinance amending Ordinance No. 307-97 (Annual Salary Ordinance, 1997/98), Department of Building Inspection, reflecting the creation of one (1) position, Class 6333 Senior Building Inspector; see File 98-0615. (Department of Human Resources)

ACTION: Tabled.

6. File 98-0484. [Appropriation, Public Defender's Office] Ordinance appropriating \$165,700, Public Defender's Office, from the General Fund Reserve for salaries and fringe benefits and for the creation of two (2) new positions; companion measure to File 98-0485. RO #97229. (Controller)

ACTION: Hearing held. Amendment of the Whole (with new title) adopted. (See new title). Recommended as amended.

New Title: [Appropriation, Public Defender's Office] Ordinance appropriating \$100,207, Public Defender's Office, from the General Fund Reserve for salaries and fringe benefits and for the creation of two (2) new positions; companion measure to File 98-0485. RO #97229. (Controller)

7. File 98-0485. [Salary Ord. Amendment, Public Defender's Office] Ordinance amending Ordinance No. 307-97 (Annual Salary Ordinance, 1997/98), Public Defender's Office, reflecting the creation of two (2) new positions (Class 8174 Attorney, Civil and Criminal); companion measure to File 98-0484. (Department of Human Resources)

ACTION: Hearing held. Recommended.

8. File 98-0593. [Prop J Contract, Legal Services, District Attorney] Resolution concurring with Controller's certification that Legal Process Server Services can be practically performed for the District Attorney, Family Support Bureau, by a private contractor for a lower cost than similar services performed by City and County employees. (District Attorney)

ACTION: Hearing held. Recommended.

9. File 98-0631. [Appropriation, Dept. of Public Health] Ordinance appropriating \$15,775,056, Department of Public Health, San Francisco General Hospital and Laguna Honda Hospital, of Medical Revenues in excess of budget estimates to fund increased salaries, fringe benefits, professional services, materials, equipment and facilities maintenance and the creation of 75.70 positions for fiscal year 1997-98; companion measure to File 98-0632. RO #97234. (Mayor Willie L. Brown, Jr.)

ACTION: Hearing held. Amendment of the Whole (with new title) adopted. (See new title). Recommended as amended.

16. File 98-0621. [Fire Dept. Special Use Permit, S.F. Presidio] Resolution authorizing a special use permit at Building 1216 in the Presidio of San Francisco, for use by the Fire Department's Emergency Medical Service Division. (Real Estate Department)

ACTION: Consideration continued to the Call of the Chair.

17. File 98-0625. [Lease Amendment, 44 Gough Street] Resolution authorizing amendment of an existing lease of real property at 44 Gough Street for the Department of Human Resources. (Real Estate Department)

ACTION: Hearing held. Recommended.

18. File 98-0521. [Bond Passthroughs] Ordinance amending Administrative Code Sections 37.2, 37.3 and 37.8 to permit landlords to pass through to tenants any increase in the property tax rate imposed as a result of a ballot measure approved by the voters between November, 1996 and November, 1998. (Mayor Willie L. Brown, Jr., Supervisors Yaki, Teng, Bierman, Brown, Yee, Kaufman)

ACTION: Hearing held. Amendment of the Whole (with same title) adopted. Recommended as amended.

CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 Market Street, Suite 1025, San Francisco, CA 94102 (415) 554-7642
FAX (415) 252-0461

April 30, 1998

TO: Finance Committee
FROM: Budget Analyst *Recommendations for meeting of...*
SUBJECT: May 6, 1998 Finance Committee Meeting

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Item 1a - File 98-399

Department: Department of Parking and Traffic (DPT)

Item: Hearing to consider the release of \$1,200,000 in reserved funds for the St. Mary's Square Garage Renovation Project.

Amount: \$1,200,000

Source of Funds: \$25 Million Parking Meter Revenue Bonds, Series 1994

Description: On November 30, 1994, the Board of Supervisors appropriated \$21 million for various capital improvement projects, and placed \$1.2 million on reserve to partially fund the planned \$8,759,284 renovation of the City-owned St. Mary's Square Garage located at 433 Kearny Street (File 101-94-31). The St. Mary's Square Garage was severely damaged in the 1989 Loma Prieta Earthquake.

Attachment I, submitted by DPW, lists the separate components of the St. Mary's Square Garage Renovation Project. This request would authorize the release of \$1.2 million to be used for construction related to the following components of that project: earthquake repairs,

Memo to the Finance Committee
May 6, 1998 Finance Committee Meeting

seismic strengthening, parking facility improvements, and accessibility work.

The low bidder for the construction contract for the St. Mary's Square Garage Renovation Project in the amount of \$6,392,388 is Chiang C.M. Construction, Inc. Including pre-construction soft costs such as planning and design, construction support services, and a license agreement with the adjacent property owner, the total project costs are \$8,759,284.

According to Mr. Ronald Szeto of DPT, this request of \$1,200,000 is necessary at this time because all funds for the construction contract of \$6,392,388 must be available, and not on reserve, in order for the Controller to certify the contract.

Budget:

Attachment I, submitted by DPW, is a project budget, totaling \$8,759,284, which contains the expenditure details for the St. Mary's Square Garage Project.

Comments:

1. According to Mr. Szeto, DPT's total share of the St. Mary's Square Garage Renovation Project is \$1,908,296 or 21.7 percent of the total project costs. Mr. Szeto states that DPT has already provided DPW with \$708,296 out of the \$1,908,296 from Parking Revenue Fund monies. The subject \$1.2 million will complete DPT's financial commitment to the St. Mary's Square Garage project. The remaining \$6,850,988 balance, or 78.3 percent of the total project cost, will be paid from the following sources:

1990 Earthquake Safety Bond Program,	
Phase 2	\$3,442,616
Federal Emergency Management Agency	
(FEMA)	2,188,472
Open Space & Park Fund	<u>1,219,900</u>
Total	\$6,850,988

2. According to Mr. Roger Wong of DPW, the construction contract is anticipated to begin July of 1998 and be completed by September of 1999. Attachment II, provided by DPT, shows an estimated loss of \$1,256,639 in parking revenue during this construction period and lists the steps planned for minimizing this revenue loss.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to the Finance Committee
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Recommendation: Approve the release of reserved funds.

ST. MARY'S SQUARE GARAGE**PROJECT DESCRIPTION**

Scope of work includes the following:

- 1 Earthquake repair
- 2 Seismic strengthening
- 3 Parking facility improvement
- 4 Park extension on roof
- 5 Accessibility work
- 6 Hazardous materials removal

PROJECT BUDGET**A Pre-construction soft costs**

project management	30,000
planning	110,000
Design	1,299,264
Miscellaneous	154,632
	<u>1,593,896</u>

B Construction

5,710,678

base bid + Alt 1

Construction contingency	12%	681,710
		<u>6,392,388</u>

C Construction support services

BOA - administration	152,000
BOE/Structural	32,000
BOE/Mechanical	12,000
BOE/Electrical	12,000
BCM/Construction management	410,000
Material Testing	41,000
Spical inspection	10,000
Prevailing wage check	15,000
Asbestos monitoring	64,000
	<u>748,000</u>

D Others

License agreement W/ adj owner	25,000
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E Total budget

(A to D)

8,769,284

Attachment II

**St. Mary's Square Garage
(Construction Impact on Garage Revenues)**

12 Month Analysis			
	Before Construction 4/97 through 3/98	During Construction	Difference Between Before and During Construction
Parking Revenues	4,039,841	2,816,220	1,223,621
Parking Tax	(736,930)	(563,244)	(173,686)
Operating Expenses	(882,884)	(936,504)	53,620
Net Revenues	2,420,027	1,316,472	1,103,555

14 Month Analysis			
	Before Construction 2/97 through 3/98	During Construction	Difference Between Before and During Construction
Parking Revenues	4,708,622	3,285,590	1,423,032
Parking Tax	(866,744)	(657,118)	(209,626)
Operating Expenses	(1,049,355)	(1,092,588)	43,233
Net Revenues	2,792,523	1,535,884	1,256,639

NOTES

Construction schedule and after construction schedule are based on the following:

1. During construction 150 transient cars per weekday and 300 on Saturday and Sunday each.
2. Keeping the current 440 monthly parkers.
3. Recommended increase monthly rate at St. Mary's to \$300 per month (+\$30).
4. Recommended increase monthly rate at 18th & Hoff to \$75 per month (\$25).
(Current market rate at lot across street is \$85)
5. Recommend Eliminating all early bird rates (\$12)
6. Recommend increasing daily parking increments to max \$20 (+ \$3)
7. Recommend increase nighttime parking increments to \$7.00 (+ \$2.50), over 3 Hrs. (+ 1 hr.)
8. Recommend increase Sunday parking increments to \$7.00 (+ \$2.50), over 3 Hrs. (+ 1 hr.)

Item 1b - File 98-650

Department: Recreation and Park Department (RPD)

Item: Hearing to consider release of \$300,000 of reserved FY 1997-98 General Fund monies for a City-wide assessment of all Recreation and Park Department facilities.

Amount: \$300,000

Source of Funds: General Fund

Description: The Board of Supervisors previously appropriated and reserved \$300,000 as a budget adjustment to the Mayor's Recommended FY 1997-98 Budget for purposes of conducting a City-wide assessment of all Recreation and Park Facilities. This assessment will include the identification of costs and funding sources to renovate RPD facilities into compliance with the City's Building Code, and State and Federal Americans with Disabilities Act (ADA) Title 24 requirements. The work to be performed under this proposed City-wide assessment includes the following tasks: architectural design, landscape architecture, engineering services, hazardous materials identification, cost estimating, community outreach, and community public relations.

According to Mr. Ernie Prindle of the Recreation and Park Department, the firm of Young & de la Sota Architects was selected to perform the assessment work from an as-needed list of consultants (see Attachment I) obtained through a competitive Request-for-Proposal process administered by the Department of Public Works. The proposed total amount of the contract would be \$400,000, which would be funded by this request for release of reserve in the amount of \$300,000, and \$100,000 in Open Space funds being requested in the Department's FY 1998-99 Budget request, according to Ms. Jacqueline Barsh of the Recreation and Park Department.

Attachment II to this report contains the percentage allocations to Young & de la Sota Architects and the 12 proposed subcontractors to Young & de la Sota.

Budget: A detailed proposed budget for this \$400,000 request is shown in Attachment III to this report, including hours and hourly rates.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
May 6, 1998 Finance Committee Meeting

- Comments:**
1. Ms. Barsh reports that the average hourly rate for the 4,256 estimated hours under the \$400,000 contract is \$88.75, as shown in Attachment III.
 2. Ms. Fong reports that the Department plans to initiate work on the facilities assessment in May of 1998 and plans to complete the work in April of 1999.

Recommendation: Approve the release of reserve in the requested amount of \$300,000.

Bureau of Architecture
May 6, 1996
As-Needed Architectural Services

Ms. Beverly Prior, A.I.A.
Beverly Prior Architects, Inc.
333 Bryant Street, Suite 220
San Francisco, CA 94107
Phone No. 777-9422
FAX No. 777-2755

Mr. David G. Fong, A.I.A., Principal
Fong & Chan Architects
1361 Bush Street
San Francisco, CA 94109
Phone No. 931-8600
FAX No. 931-4601

Ms. Rosa de la Sota, A.I.A., Principal
Young & De La Sota Architects with Architectural Resources
149 - 9th Street, Suite 330
San Francisco, CA 94103
Phone No. 487-7920
FAX No. 487-7929

Mr. Joseph Chow, A.I.A., Principal
Joseph Chow & Associates
340 Brannan Street
San Francisco, CA 94107
Phone No. 777-1288
FAX No. 777-2552

Ms. E. Sue Smith, President
ESS Architects
466 - 8th Street
San Francisco, CA 94103
Phone No. 252-9500
FAX No. 252-1585

Mr. Mark R. Cavagnero, A.I.A.
Mark Cavagnero Associates
1045 Sansome, Suite 420
San Francisco, CA 94111
Phone No. 398-6944
FAX No. 398-6943

HRC FORM 2A: ARCHITECTURE & ENGINEERING

SECTION 1: Sub consultant Award Information

This section is to be completed for all prime consultants, and for all modifications to these proposals/contracts. All prime consultants, individual joint venture partners, sub consultants and any other vendors participating in the project must be listed. However, participation by MBE or WBE prime consultants or joint venture partners are not to be counted towards meeting the sub consultant goals. Shaded areas are for HRC/departmental office use only. Information on San Francisco County Transportation funding is to be provided by the contract awarding authority prior to Attachment 2 being distributed to proposers.

DEPT. SPEC#:	PROPOSER (PRIME): Young & de la Sota Architects with Architectural Resources Group	GOAL LEVEL:
FAMISDOC#:	PROPOSAL AMOUNT: \$	MBE GOAL: 20%
FAMIS AWARD DATE:	PROJECT NAME OR DESCRIPTION: Recreation and Park Department Strategic Plan	WBE GOAL: 10%
VENDOR#:	CONTACT PERSON: Rosa de la Sota, AIA	OTHER GOAL (specify):
HRC STAFF PERSON:	ADDRESS 149 - 9th St. San Francisco PHONE: 415/487-7920	n/a
	S.F. COUNTY TRANSPORTATION AGENCY FUNDED: YES <input type="checkbox"/> NO <input type="checkbox"/>	
	IF YES, INDICATE % OF TOTAL CONTRACT	

J/P/S: Indicate if consultant is Joint Venture Partner, Prime or Sub.

J/P/S	NAME	SERVICES PERFORMED	AWARD AMOUNT	% OF TOTAL	% MBE	% WBE
J	Young & De la Sota	Architecture		20.8%	20.8%	
J	Architectural Resources	Architecture & History		20.1%	N/A	N/A
	PROPOSED SUBS					
S	Moore Iacofano Goltsman	Community Participation		29.0%	N/A	N/A
S	Office of Cheryl Barton	Landscape Architecture		0.8%		0.8%
S	Santos & Urrutia	Structural Engineering		2.0%	2.0%	
S	Olivia Chen	Civil Engineering		2.0%		2.0%
S	Bhatia & Associates	Electrical Engineering		1.0%	1.0%	
S	Mech. Design Studio	Mechanical Engineering		1.0%	1.0%	
S	Bay Area Economics	Economics Consulting		0.8%		0.8%
S	Acumen	Hazardous Materials		0.8%	0.8%	
S	Onyx Design	Graphic Design		3.7%	3.7%	
S	Saylor Consulting	Cost Estimating		2.3%		2.3%
S	Shaw Associates	Community Outreach		9.1%	9.1%	
S	Baca Thier & Associates	Community PR		6.6%		6.6%

TOTAL CLAIMED MBE AND WBE PARTICIPATION 100% 38.4% 12.5%

I declare, under penalty of perjury under the laws of the State of California, that I am utilizing the above MBE/WBE sub consultants and sub consultant amounts as reflected in the proposal documents for this project.

Owner/Authorized Representative (Signature)

Date: April 13, 1998

Chris Young

Owner/Authorized Representative (Print)

Title

CHRIS YOUNG, AIA

Principal, Young & de la Sota Architects

Park Assessment and Strategic Analysis
Revised Fees for
San Francisco Recreation and Park Department

Revised: 6 March 1998, 24 March 1998, 6 April 1998, 10 April 1998, 29 April 1998

TASK	YSA/ARG* TOTAL	MIG** TOTAL	HRC FIRMS	# HRS AT AVG. RATE OF \$88.75	GRAND TOTAL
Phase I Tasks 1.0 - 13.3					
1.0 PROJECT INITIATION					
1.1 Project Team Session #1	\$383	\$460	\$200		\$1,043
1.2 Facilities Doc. Review / Master List	\$3,300	\$0			\$3,300
1.3 Program Document Review	\$297	\$990			\$1,287
1.4 Planning Staff Session	\$335	\$380			\$715
1.5 Final Process Graphic	\$151	\$1,510			\$1,661
Labor Total	\$4,466	\$3,340	\$200	90	\$8,006
Direct Costs	\$350	\$75			\$425
Task Subtotal	\$4,816	\$3,415	\$200		\$8,431
2.0 DEMOGRAPHIC ANALYSIS					
2.1 Project Team Session #2	\$350	\$230			\$580
2.2 Demographic Research	\$172	\$460			\$632
2.3 Draft Demographic Profile	\$3,400	\$115			\$3,515
2.4 Final Demographic Profile	\$350	\$115			\$465
Labor Total	\$4,272	\$920	\$0	59	\$5,192
Direct Costs	\$275	\$950			\$1,225
Task Subtotal	\$4,547	\$1,870	\$0		\$6,417
3.0 SURVEY & DATABASE DESIGN					
3.1 Survey & Database Design	\$7,200	\$0			\$7,200
3.2 Landscape & Architectural	\$500	\$0	\$250		\$750
3.3 Structural	\$500	\$0	\$250		\$750
3.4 Civil	\$500	\$0	\$125		\$625
3.5 Mechanical / Electrical	\$500	\$0	\$125		\$625
3.6 Cost Estimating	\$585	\$0	\$325		\$910
3.7 Hazardous Materials	\$455	\$0	\$125		\$580
3.8 Data Entry Forms / Design	\$900	\$0			\$900
Labor Total	\$11,140	\$0	\$1,200	139	\$12,340
Direct Costs	\$1,300	\$0			\$1,300
Task Subtotal	\$12,440	\$0	\$1,200		\$13,640
4.0 PARTICIPATION CONSULTATION *					
4.1 On-going	\$2,695	\$6,210			\$8,905
Labor Total	\$2,601	\$6,210	\$0	99	\$8,811
Direct Costs	\$100	\$275			\$375
Task Subtotal	\$2,701	\$6,485	\$0		\$9,186

* Young & de la Sota Architects with Architectural Resources Group.

** Moore Iacofano Goltsman, the Community Participation Subcontractor.

TASK	YSA/ARG TOTAL	MIG TOTAL	HRC FIRMS	# HRS AT AVG. RATE OF \$88.75	GRAND TOTAL
5.0 STAFF WORKSHOP #1					
5.1 Project Team Session #2	\$600	\$1,410			\$2,010
5.2 Workshop Preparation	\$150	\$1,780			\$1,930
5.3 Facilitation / Recording	\$1,750	\$3,340			\$5,090
5.4 Summary Report	\$1,250	\$645			\$1,895
Labor Total	\$3,750	\$7,175	\$0	123	\$10,925
Direct Costs	\$250	\$600			\$850
Task Subtotal	\$4,000	\$7,775	\$0		\$11,775
6.0 STAFF TRAINING #1					
6.1 Project Team Session #3	\$480	\$840			\$1,320
6.2 Training Preparation	\$75	\$910			\$985
6.3 Training Session	\$168	\$1,680			\$1,848
Labor Total	\$723	\$3,430	\$0	46	\$4,153
Direct Costs	\$20	\$200			\$220
Task Subtotal	\$743	\$3,630	\$0		\$4,373
7.0 COMMUNITY QUESTIONNAIRE *					
7.1 Project Team Meeting	\$600	\$900			\$1,500
7.2 Draft Questionnaire	\$560	\$230			\$790
7.3 Final Questionnaire	\$140	\$120			\$260
7.4 Questionnaire Distribution at Events	\$600	\$0			\$600
7.5 Summary Report	\$700	\$6,600			\$7,300
Labor Total	\$2,600	\$7,850	\$8,750	216	\$19,200
Direct Costs	\$30	\$250			\$280
Task Subtotal	\$2,630	\$8,100	\$8,750		\$19,480
8.0 COMMUNITY CONVERSATIONS *					
8.1 Project Team Meeting	\$600	\$1,500			\$2,100
8.2 Recruitment & Preparation	\$90	\$0			\$90
8.3 Conversations	\$600	\$0			\$600
8.4 Summary Report	\$450	\$130			\$580
Labor Total	\$1,740	\$1,630	\$13,850	194	\$17,220
Direct Costs	\$50	\$50			\$100
Task Subtotal	\$1,790	\$1,680	\$13,850		\$17,320
9.0 MEDIA OUTREACH *					
9.1 Project Team Meeting	\$250	\$910			\$1,160
9.0 Program Design & Implementation	\$1,500	\$0			\$1,500
Labor Total	\$1,750	\$910	\$14,800	197	\$17,460
Direct Costs	\$25	\$50			\$75
Task Subtotal	\$1,775	\$960	\$14,800		\$17,535

TASK	YSA/ARG TOTAL	MIG TOTAL	HRC FIRMS	# HRS AT AVG. RATE OF \$88.75	GRAND TOTAL
10.0 PARK FACILITIES SURVEY					
10.1 Project Folder by Facility	\$3,000	\$0			\$3,000
10.2 Architecture	\$18,500	\$0			\$18,500
10.3 Landscape	\$15,000	\$0	\$3,000		\$18,000
10.4 Landscape / Horticultural	\$1,200	\$0			\$1,200
10.5 Structural	\$780	\$0	\$7,800		\$8,580
10.6 Civil Engineer	\$780	\$0	\$7,800		\$8,580
10.7 Mechanical	\$390	\$0	\$3,900		\$4,290
10.8 Electrical	\$390	\$0	\$3,900		\$4,290
10.9 Historic / Cultural	\$3,000	\$0			\$3,000
10.10 Hazardous Materials	\$300	\$0	\$3,000		\$3,300
10.11 Systems Cost Estimating	\$900	\$0	\$9,000		\$9,900
10.0 Compilation & Data Entry	\$5,000	\$0			\$5,000
Labor Total	\$49,240	\$0	\$38,400	987	\$87,640
Direct Costs	\$2,500	\$0			\$2,500
Task Subtotal	\$51,740	\$0	\$38,400		\$90,140
11.0 COMMUNITY WORKSHOPS #1					
11.1 Project Team Session #4	\$900	\$1,080			\$1,980
11.2 Meeting Prep & Slide Show (1)	\$500	\$2,950			\$3,450
11.3 Facilitation / Recording (9)	\$4,800	\$6,500			\$11,300
11.4 Summary Report	\$5,040	\$9,415			\$14,455
Labor Total	\$11,240	\$19,945	\$9,250	455	\$40,435
Direct Costs	\$888	\$4,900	\$250		\$6,038
Task Subtotal	\$12,128	\$24,845	\$9,500		\$46,473
12.0 PRELIM. PROGRAM REPORT					
12.1 Project Team Session #5	\$373	\$760			\$1,133
12.2 Draft Program Document	\$1,790	\$9,980			\$11,770
12.3 Project Team Session #6	\$414	\$840			\$1,254
Labor Total	\$2,577	\$11,580	\$0	159	\$14,157
Direct Costs	\$86	\$200			\$286
Task Subtotal	\$2,663	\$11,780	\$0		\$14,443
13.0 COMMUNITY WORKSHOPS: 2					
13.1 Project Team Session #7	\$775	\$885	\$445		\$2,105
13.2 Meeting Preparation	\$625	\$1,305	\$750		\$2,680
13.3 Hands-on Exercise	\$510	\$5,092	\$2,500		\$8,102
Labor Total	\$1,910	\$7,282	\$3,695	145	\$12,887
Direct Costs	\$500	\$2,400			\$2,900
Task Subtotal	\$2,410	\$9,682	\$3,695		\$15,787
Phase I Total	\$104,383	\$80,222	\$90,395		\$275,000

TASK	YSA/ARG TOTAL	MIG TOTAL	HRC FIRMS	# HRS AT AVG. RATE OF \$88.75	GRAND TOTAL
Phase II Tasks 13.4 - 18.0					
13.4 Facilitation	\$3,410	\$2,850			\$6,260
13.5 Summary Report	\$705	\$5,925			\$6,630
Labor Total	\$4,115	\$8,775	\$5,040	267	\$17,930
Direct Costs	\$400	\$2,250			\$2,650
Task Subtotal	\$4,515	\$11,025	\$5,040		\$20,580
14.0 STRATEGIC / FUNDING ANALYSIS					
14.1 Trends Analysis	\$0	\$0			\$0
14.2 Demographic Assistance Policy	\$0	\$0			\$0
14.3 Disaster Assistance Policy	\$0	\$0			\$0
14.4 Traffic / Pedestrians / Bikes	\$0	\$0			\$0
14.5 Parks Management/Economics	\$300	\$0	\$3,000		\$3,300
14.6 Integrate Community Needs / Concerns	\$0	\$0			\$0
14.7 Prioritize Facility Capital Spending	\$0	\$0			\$0
14.8 Test System Cost Alternatives	\$0	\$0			\$0
14.9 Draft Prioritized CI Funding List	\$23,100	\$0			\$23,100
Labor Total	\$23,400	\$0	\$3,000	297	\$26,400
Direct Costs	\$1,100	\$0			\$1,100
Task Subtotal	\$24,500	\$0	\$3,000		\$27,500
15.0 TELEPHONE SURVEY *					
15.1 Instrument Design	\$351	\$3,000			\$3,351
15.2 Administration	\$2,063	\$1,000			\$3,063
15.3 Summary Report	\$444	\$10,585			\$11,029
Labor Total	\$2,858	\$14,585	\$6,400	269	\$23,843
Direct Costs	\$150	\$450			\$600
Task Subtotal	\$3,008	\$15,035	\$6,400		\$24,443
16.0 FINAL PROGRAM DOCUMENT					
16.1 Project Team Session #8	\$472	\$760			\$472
16.2 Administrative Draft	\$826	\$5,290			\$6,116
16.3 Final Document	\$357	\$1,095			\$1,452
Labor Total	\$1,655	\$7,145	\$0	99	\$8,800
Direct Costs	\$57	\$75			\$132
Task Subtotal	\$1,712	\$7,220	\$0		\$8,932
17.0 STAFF TRAINING #2					
17.1 Project Team Session #9	\$381	\$840			\$1,221
17.2 Training Preparation	\$91	\$910			\$1,001
17.3 Training Session	\$126	\$1,260			\$1,386
Labor Total	\$598	\$3,010	\$0	40	\$3,608
Direct Costs	\$25	\$125			\$150
Task Subtotal	\$623	\$3,135	\$0		\$3,758

TASK	YSA/ARG TOTAL	MIG TOTAL	HRC FIRMS	# HRS AT AVG. RATE OF \$88.75	GRAND TOTAL
18.0 FINAL ASSESSMENT DOCUMENT					
18.1 Project Team Meeting	\$480	\$840			\$1,320
18.2 Master Compiling / Editing	\$8,200	\$0			\$8,200
18.3 Word Processing	\$4,700	\$0			\$4,700
18.4 Report Design	\$900	\$0	\$5,000		\$5,900
18.5 Research	\$3,000	\$0			\$3,000
18.6 Collection of Adjunct Materials	\$3,000	\$0			\$3,000
18.7 Report Layout	\$1,825	\$0	\$9,800		\$11,625
18.8 Final Edits / Printing	\$750	\$0			\$750
18.9 Final Printing Coordination	\$792	\$0			\$792
Labor Total	\$23,647	\$840	\$14,800	375	\$39,287
Direct Costs	\$450	\$50			\$500
Task Subtotal	\$24,097	\$890	\$14,800		\$39,787
Phase II Total	\$58,455	\$37,305	\$29,240		\$125,000
Labor Total - Phases I & II	\$154,282	\$104,627	\$119,385		\$378,294
Direct Costs Total - Phases I & II	\$8,556	\$12,900	\$250		\$21,706
Task Total - Phases I & II	\$162,838	\$117,527	\$119,635		\$400,000
GRAND TOTALS	\$162,838	\$117,527	\$119,635		\$400,000

* Additional Programming and Community Participation Tasks added after 2 March 1998 are noted with an asterisk (*).

Memo to Finance Committee
May 6, 1998 Finance Committee Meeting

Items 1c, 1d and 1e - Files 98-653, 98-654 and 98-655

Department: Port of San Francisco

Items: **Item 1c, File 98-653:** Hearing to consider the requested release of previously reserved San Francisco Harbor Operating Funds, in the amount of \$26,000, for design services for the Agricultural Building's exterior exit stairs.

Item 1d, File 98-654: Hearing to consider the requested release of previously reserved San Francisco Harbor Operating Funds, in the amount of \$151,756, for emergency wall repairs at Pier 1½.

Item 1e, File 98-655: Hearing to consider the requested release of previously reserved San Francisco Harbor Operating Funds, in the amount of \$39,622, for design services for the reconstruction of Pier 47A at Fisherman's Wharf.

Amount:	File 98-653, Agricultural Building Design Services	\$ 26,000
	File 98-654, Pier 1½ Emergency Wall Repairs	137,960
	File 98-655, Pier 47A Design Services	<u>39,622</u>
		\$203,582

Source of Funds: Previously reserved San Francisco Harbor Operating Funds

Description: In November of 1996 the Board of Supervisors approved an ordinance appropriating \$1,579,000 for various capital improvements at the Port, placing \$1,329,000 on reserve pending the submission of budget details and the selection of contractors (File 101-96-19). The Port is now requesting that a total amount of \$217,378 be released from reserve to fund three projects, which are described below.

Item 1c, File 98-653: Design Services for the Replacement of the Agricultural Building's Exterior Exit Stairs	\$26,000
--	-----------------

The Port is requesting \$26,000 for design work for the replacement of the Agricultural Building's exterior exit stairs. According to Mr. Cliff Jarrard, Chief Harbor Engineer of the Port, the project involves the demolition and design of a new structural steel stairway, landing and guardrail, and

other related work. Mr. Jarrard advises that the proposed design and construction administration services will be performed through a work order with the Department of Public Works Bureau of Architecture. A budget for the requested \$26,000 is as follows:

Department of Public Works, Bureau of Architecture	
Class 5266 Associate Architect II	
(96.2 hours @ \$74.09/hr.) hour	\$ 7,127
Class 5268 Architect	
(220 hours @ \$85.79/hr.)	<u>18,873</u>
Total	\$26,000

**Item 1d, File 98-654: Emergency Wall Repairs
at Pier 1½ \$137,960**

Mr. Jarrard advises that the planned Pier 1½ improvement project involves repairing and weatherproofing wood and stucco exterior walls which have failed due to weather and deferred maintenance. According to Mr. Jarrard, the Port issued a competitive Invitation for Bids for selection of the construction contractor. The Port reports that it received three bids and selected the lowest bidder, Kin Wo Construction which submitted a bid of \$137,960. The requested release of reserve funds in the amount of \$137,960 would fund the construction contract.

**Item 1e, File 98-655: Design Services for the
Reconstruction of Pier 47A \$39,622**

The Port is requesting the release of reserved funds for design work for the reconstruction of Pier 47A at Fisherman's Wharf. According to Mr. Jarrard, the work involves designing a view deck with a ramp and other related work to comply with the Americans with Disabilities Act (ADA) standards and developing construction contract documents. Mr. Jarrard advises that such work will be performed through a work order with the Department of Public Works, Bureau of Architecture. A budget for the requested \$39,622 is as follows:

Memo to Finance Committee
May 6, 1998 Finance Committee Meeting

Department of Public Works, Bureau of Architecture	
Class 5266 Associate Architect II	
(520 hours @ approximately \$74.07/hr.)	\$38,519
Class 5268 Architect	
(12.85 hours @ \$85.79/hr.)	<u>1,103</u>
Total	\$39,622

Recommendation: Approve the requested releases of reserved funds.

Memo to Finance Committee
May 6, 1998 Meeting of Finance Committee

Item 1f - File 98-626

Department: Public Utilities Commission (PUC)
Department of Public Works (DPW)

Item: Resolution authorizing the expenditure of funds for emergency work to replace the collapsed sewer on Church Street between 19th and Hancock Streets.

Amount: \$105,469

Source of Funds: Repair and Replacement Fund for FY 1997-98

Description: The Public Utilities Commission advises that on September 10, 1997, the sewer located at Church Street between 19th and Hancock streets had collapsed and immediate replacement was required to protect the health, welfare, and property of the citizens of San Francisco. In accordance with Administrative Code Section 6.30, the PUC declared an emergency on September 10, 1997. Quotes were obtained from two firms on September 15, 1997 (see Comment No. 1).

Ruiz Construction Company was awarded a contract and began the emergency work on September 24, 1997. The work was completed on October 8, 1997.

Budget: The total final project cost is \$105,469, including \$76,326 for the construction work (See Attachment I). Attachment II shows the balance of \$29,143 in costs incurred by DPW on the project, including \$17,145 by the DPW Bureau of Engineering, \$9,998 by the DPW Bureau of Construction Management, and \$2,000 by Traffic Engineering of the Department of Parking and Traffic.

Comments: 1. The two firms which submitted bids for this project and the bid amounts are as follows:

<u>Contractor</u>	<u>Adjusted Bid Amount</u>
A Ruiz Construction Co.	\$79,173 ¹
Vargas & Esquivel/Woods Construction	\$120,312

¹ Actual cost was \$76,326.

Memo to Finance Committee
May 6, 1998 Meeting of Finance Committee

2. As noted above, the emergency was declared by the PUC on September 10, 1997. The replacement work on the collapsed sewer was completed on October 8, 1997, according to Ms. Romaine Boldridge of the PUC.

3. Ms. Boldridge advises that due to various delays, the PUC is requesting approval of this proposed legislation approximately seven months after the construction work was completed.

Recommendation: Approve the proposed resolution.

CITY AND COUNTY OF SAN FRANCISCO
DEPARTMENT OF PUBLIC WORKS

BUREAU OF CONSTRUCTION MANAGEMENT

FOR WORK PERFORMED THROUGH 10-15-97

PROGRESS INIMATE NO. 1

PROJECT TITLE: Church Street Emergency Sewer Relocation and Specification No. 1332N

SPEC. NO. 1332N

CONTRACT NUMBER	APPROV. CO	PENDING CO	FORECAST TOTAL	EARNED TO DATE	%	EARNED THIS MONTH	START DATE	EST. THIS PERIOD	ORIG. COML.	10-13-97	10-10-97	10-10-97	EST. COMPL.
	N/A	N/A	76.3% 00-	0	95	72,510.00	9-24-97	10-13-97	10-13-97	10-10-97	10-10-97	10-10-97	10-10-97
NUMBER	DESCRIPTION	QTY	UNIT	PRICE	QUANTITY	PRICE	QUANTITY	PRICE	QUANTITY	PRICE	QUANTITY	PRICE	QUANTITY
1	Traffic Traffic Mark	1	Lump Sum	1000.00	1	1000.00	1	1000.00	1	1000.00	1	1000.00	1
2	Trench and Excavation Support Work	1	Lump Sum	1000.00	1	1000.00	1	1000.00	1	1000.00	1	1000.00	1
3	Type A Concrete Manhole with New Frame Cover	1	Lump Sum	3000.00	1	3000.00	1	3000.00	1	3000.00	1	3000.00	1
4	Type A Concrete Manhole for Type 100 12-inch to 24-inch Pipe Diameter with New Frame & Cover (Std. Plan 45.570 Ch. 1)	1	Lump Sum	3500.00	1	3500.00	1	3500.00	1	3500.00	1	3500.00	1
5	Standard Catchbasin With New Frame and Grating and G.I. Manhole Trap Including Clean-Out Cap Per Standard Plan	1	Lump Sum	2000.00	1	2000.00	1	2000.00	1	2000.00	1	2000.00	1
6	15-inch Diameter VCP Sewer On Church Street	1	Lump Sum	37,750.00	1	37,750.00	1	37,750.00	1	37,750.00	1	37,750.00	1
7	Rock Bedding	1	Lump Sum	1,200.00	1	1,200.00	1	1,200.00	1	1,200.00	1	1,200.00	1
8	Newly Constructed Main Sewer	1	Lump Sum	9,500.00	1	9,500.00	1	9,500.00	1	9,500.00	1	9,500.00	1
9	10-inch Diameter VCP Culvert	1	Lump Sum	1,000.00	1	1,000.00	1	1,000.00	1	1,000.00	1	1,000.00	1
10	Inspection	1	Lump Sum	55,000.00	1	55,000.00	1	55,000.00	1	55,000.00	1	55,000.00	1
11	6-inch to 8-inch Diameter Side Sewer	1	Lump Sum	59,000.00	1	59,000.00	1	59,000.00	1	59,000.00	1	59,000.00	1
12	Cast Iron Manhole Trap for Collection Including Cleanout Cap	1	Lump Sum	2,000.00	1	2,000.00	1	2,000.00	1	2,000.00	1	2,000.00	1
13	Handing Transportation and Disposal	1	Lump Sum	10,000.00	1	10,000.00	1	10,000.00	1	10,000.00	1	10,000.00	1
14	Handing Transportation and Disposal	1	Lump Sum	10,000.00	1	10,000.00	1	10,000.00	1	10,000.00	1	10,000.00	1
	Field Office for Engineering Standard Type "B"	1	Lump Sum	100.00	1	100.00	1	100.00	1	100.00	1	100.00	1
	SUBTOTAL CONTRACT TOTAL			307,870.00		307,870.00		307,870.00		307,870.00		307,870.00	
	EXTRA WORK (LIST EACH C.O.)												

ESTIMATE PREPARED
AND SUBMITTED BY:

APPROVED BY:

RESIDENT ENGINEER

CONSTRUCTION MANAGER

PAYMENT
REQUESTED BY

CONTRACTOR A. J. Construction Co., Inc.

Cost Breakdown for Emergency Projects**Hydraulics**

Classification	Rate	Hours	Cost
5504	\$92	23	\$2,116
5206	\$75	90	\$6,750
5202	\$50	15	\$750
5366	\$60	90	\$5,400
5381	\$33	15	\$495
1426	\$43	38	\$1,634
			\$17,145

Construction Management

Classification	Rate	Hours	Cost
5210	\$100	20	\$2,000
5208	\$80	20	\$1,600
5204	\$62	49	\$3,038
5318	\$70	48	\$3,360
			\$9,998

Traffic Engineering

\$2,000

AS REQUESTED

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Dept.		Phone #	554-8347
Fax #	252-0461	Fax #	554-8308

Items 2 and 3 – Files 98-515 and 98-516

Note: This item was continued by the Finance Committee at its meeting of April 29, 1998.

Department: Department of Public Works (DPW)

Item: **Item 2 - File 98-515:** Ordinance amending the San Francisco Public Works Code, Article 5.4, by adding a new Section 184.12, regulating the placement and maintenance of newsracks on public streets, sidewalks and rights-of-way to prohibit free-standing newsracks in specified areas of the City, authorizing the creation of Fixed Pedestal Newsrack Zones in specified areas of the City, and authorizing the Director of Public Works to select and enter into agreements with vendors to provide and maintain fixed pedestal newsracks.

Item 3 - File 98-516: Ordinance amending Part III of the San Francisco Municipal Code by amending Section 8 to provide for appeals to the Board of Permit Appeals from decisions of the Director of Public Works concerning permits for fixed pedestal newsracks.

Description: In March of 1997, the Board of Supervisors approved File 200-97-2, which authorized a six month Pilot Program to place fixed pedestal newsracks at one or more locations and urged the creation of a Task Force to evaluate public response to the fixed pedestal newsracks. The Pilot Program was intended to test the effectiveness of fixed pedestal newsracks in reducing visual clutter and promoting the public health, safety, welfare and convenience of citizens and visitors by ensuring that public streets, sidewalks, and right-of-way are not unreasonably obstructed by newsracks.

A fixed pedestal newsrack is a newsrack whose dispensing device is mounted on a pedestal, or pole, in a fixed location on the sidewalk, rather than enclosed in a free standing metal cabinet. Fixed pedestal newsracks are often installed in groups of four to six, but because the dispensing boxes are modular units, the fixed pedestal newsracks can be assembled in a variety of configurations.

The Pilot Program was implemented at no cost to the City, by the four participating fixed pedestal newsrack

BOARD OF SUPERVISORS
BUDGET ANALYST

vendors, including City Solutions, JCDecaux, USA Today, and the San Francisco Newspaper Agency, who supplied, installed, and maintained the new newsracks. According to Mr. Dan Brugman of DPW, instead of creating one Task Force to evaluate public response to the fixed pedestal newsracks, DPW created four Task Forces, one each to work with (a) representatives from all 26 publishers participating in the Pilot Program, (b) business and neighborhood groups, which had five members, and (c) representatives from five City departments. A description of the Pilot Program and the Task Forces is included in Attachment 1, as provided by DPW. The four vendors cited above, who participated in the Pilot Program, provided seven different types of fixed pedestal newsracks, for a total of 24 newsracks placed in 12 City locations for six months. Attachment 1 also lists the vendors, the number of newsracks provided, the type of newsrack, and the locations where the newsracks were placed. DPW distributed surveys through the fixed pedestal newsracks used in the Pilot Program in order to collect public feedback. According to Mr. Brugman, of the 769 returned surveys, 93 percent reported favorable responses to the fixed pedestal newsracks.

Approval of the proposed ordinance, File 98-515, would authorize DPW to create Fixed Pedestal Zones in highly congested areas or areas with particular public safety, aesthetic, historical, or economic concerns in the City. In such Fixed Pedestal Zones, free standing newsracks would be prohibited. However, the use of free standing newsracks would be allowed outside of the proposed Fixed Pedestal Zones.

The proposed ordinance authorizes the formation of a Newsrack Advisory Committee, to be made up of seven members, appointed by the Director of DPW, including representatives of newspapers and news periodicals, newspaper distributors, neighborhood and merchant groups. The Newsrack Advisory Committee would advise the Director of the DPW as to the implementation, administration, and cost minimization of this subject legislation, including the identification of Fixed Pedestal Zones and the location and number of newsracks to be permitted within such Zones.

BOARD OF SUPERVISORS
BUDGET ANALYST

The subject legislation would also authorize the DPW to select and enter into agreements with a vendor or vendors to provide for the installation and maintenance of the fixed pedestal newsracks. DPW issued a Request for Proposal (RFP) for fixed pedestal newsracks on March 13, 1998. The proposals are due to the City by May 11, 1998, and DPW plans to award contracts by August of 1998. According to Mr. Brugman, at present, DPW expects that vendors will pay for the new newsracks by selling advertising which will be allowed on the back of fixed pedestal newsracks, according to specifications in the proposed legislation regarding the size and placement of such advertising. Mr. Brugman notes that the RFP will request vendors to provide other financing alternatives to the sale of advertising, for consideration by DPW. However, at this time, Mr. Brugman estimates that none of the costs of the fixed pedestal newsracks themselves would be funded by the City.

The proposed legislation states that for the first year of the proposed Fixed Pedestal Newsrack Zones, there shall be no fees imposed on any party related to the new newsracks, including vendors or publishers. After the first year, DPW would determine the City's administrative cost of the program and would be authorized at that time, under this subject proposed legislation, to adopt one or more fees in order to recover the administrative costs to the City, such as the personnel required to issue permits for the fixed pedestal newsracks and the vehicle and driver needed to enforce the proposed Fixed Pedestal Newsrack Zones. Such fees could include a fee to publishers for access to the fixed pedestal newsracks and/or a permit fee to vendors. The proposed legislation directly states that fees shall be used to recover the City's administrative costs only, and such fees would not be established as a revenue-generating source for the City. Such fees would be subject to separate approval by the Board of Supervisors, according to Mr. David Greenburg of the City Attorney's Office.

Approval of the proposed ordinance, File 98-516, would authorize the Board of Appeals to hear appeals of decisions regarding the issuance of fixed pedestal

newsrack permits by adding the words "a fixed pedestal newsrack permit" to the list of permit types for which appeals are heard, not less than 15 days after the filing of said appeal. Such appeals shall be acted on not more than 30 days after appeals have been filed.

Comments:

1. According to Mr. Brugman, DPW estimates the cost of administration and enforcement for the first year of the Fixed Pedestal Newsrack Zone Program to be \$174,980 and has requested funding in the Department's proposed FY 1998-99 budget as shown in Attachment 2.

2. Mr. Greenburg notes that, under the proposed legislation, DPW is authorized to enter into Vendor Agreements for Fixed Pedestal Newsracks, without approval by the Board of Supervisors.

3. According to Mr. Brugman, details regarding the number of Fixed Pedestal Zones, the size of such Zones, and the number and location of newsracks within such Zones have not yet been determined. These matters will be decided by the Director of DPW with consultation from the Newsrack Advisory Committee.

Recommendation:

Approval of the proposed ordinances, Files 98-515 and 98-516, are policy matters for the Board of Supervisors. The Board of Supervisors may wish to consider a requirement that the Vendor Agreements for the Fixed Pedestal Newsracks be subject to approval by the Board of Supervisors.

THE NEWS RACK PILOT PROGRAM

The Vendors and News Rack Locations

There have been four participating vendors and a total of 22 pedestal-mounted news racks placed in no more than 10 pilot program sites at any one time during the past six months. The following table lists the vendors, the dates, and sites where their news racks have been placed:

Table 1

List of Vendors, Participation Date, and Location of News Rack Prototypes

VENDOR	LOCATION	# OF RACKS	PERIOD	FIGURE
City Solutions	Geary & Stockton	1	June 13, 1997 -	1/1A
	24th & Noe	2	November 1, 1997	7
	Market & Drumun	5	November 4, 1997	
	Market & Montgomery	3	November 6, 1997	
	Castro & Market*	2	November 13, 1997	
JCDecaux	Market & 5th	1	June 30 - Nov. 15	3
	Castro & Market	1	June 30 - Oct. 5	4
	Chestnut and Steiner	1	October 6, 1997	
SFNA	Powell & Market	4	June 27, 1997	5
	401 Van Ness	1	September 12, 1997	6
	Jessie & 5th	1	October 8, 1997	6A
USA Today	Drumun & Sacramento	2	June 13, 1997	2

*These two news racks replaced the JCDecaux model which was moved to Chestnut and Steiner on October 6, 1997.

The Mayor unveiled the first pilot installation in Union Square at the corner of Geary Boulevard and Stockton Street on Friday, June 13, 1997. The news rack was placed there by **City Solutions** of Santa Barbara, California. It carried an advertisement on the back for the U.S. Conference of Mayors (see

Figures 1 and 1A). On the same day, USA Today placed two pilot news racks at the corner of Drumm and Sacramento streets in the Embarcadero Center (see Figure 2).

Several weeks later the Mayor unveiled two prototypes following a U.S. Conference of Mayors event held at the Moscone Convention Center. The news racks are owned by JCDecaux, the French firm that builds and maintains the city's automatic public toilets. On June 30, 1997, the JCDecaux kiosk-style news rack was moved to Market and 5th streets and the smaller pedestal-mounted news rack was moved to the Castro District at the corner of Market and Castro streets (see Figures 3 and 4).

Four pilot news racks were installed at Powell and Market streets on June 26, 1997, by the San Francisco Newspaper Agency (SFNA), which distributes the San Francisco Chronicle and San Francisco Examiner (see Figure 5).

All of the above pedestal-mounted news racks temporarily replaced the free-standing ones at those locations. The affected publications cooperated by transferring their papers from the single news racks to the pedestal-mounted prototypes. No publication was displaced as a result of the pilot program.

During the first half of the program, the pilot news racks were limited to the above five locations. All news racks were always well maintained and kept clean by the vendors. The models maintained by the SFNA at the corner of Market and Powell were tagged almost daily but the graffiti was removed by the agency within 24-hours. At Market and 5th streets, the JCDecaux kiosk-style news rack was seldom able to work correctly because of technical difficulties and was removed by the vendor in mid-November.

New locations were added during the second half of the program. On September 12th the SFNA replaced the single news racks outside the War Memorial building at 401 Van Ness Avenue with a pedestal-mounted news rack with newspapers placed on both sides of the display (see Figure 6). The same vendor also added a pilot news rack at the corner of Jessie and 5th streets on October 8, 1997. This news rack carried an advertisement on the back (see Figure 6A).

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City Solutions replaced the free-standing news racks outside Bell Market on 24th Street in Noe Valley with a pedestal-mounted one (see Figure 7) on November 1st, and on November 4th the vendor replaced the clutter of single news racks at the corner of Market and Drumm streets with five pedestal-mounted prototypes.

On October 6, 1997, the JCDecaux news rack on Market and Castro was moved to Chestnut and Steiner in the Marina. City Solutions moved to fill the void in the Castro with two of their prototypes on November 13, 1997.

The News Rack Pilot Program Task Force

The Director of DPW and City Architect, Mark A. Primeau, AIA, created a task force to assist the Department in implementing the news rack pilot program.

The task force assisted by soliciting input from the public; participating in site selection; providing advice on American with Disabilities Act (ADA), community, line-of-sight, aesthetic, and publication-related issues; and establishing criteria for evaluating the program.

The task force consisted of three groups: a city-core group, a business and neighborhood group, and representatives from various publications involved in the pilot program. Each group met separately at least twice during the pilot program. The members are as follows:

City-Core Group:

Dan Brugmann, DPW News Rack Program Manager
Paul Imperiale, Mayor's city-wide disability access coordinator
Joern Kroll, Department of Parking and Traffic
Gail Stein, legislative aide to Supervisor Barbara Kaufman
Bill Villa, Commissioner, San Francisco Art Commission

Business and Neighborhood Group:

Ken Cleveland, Building Owners and Managers Association
Dennis J. Conaghan, Executive Vice President and Chief Operating
Officer, Embarcadero Center
Peter Fortune, Member of the Board, San Francisco Beautiful
Linda Mjellem, Executive Director, Union Square Association
Lynn Valente, Associate Director, Market Street Association

Neighborhood representatives were consulted as the pilot program moved to the Castro, the Marina, and Noe Valley.

Publications Group:

All 26 publications participating in the pilot program.

Publicity

There was a great deal of public interest in the news rack pilot program, beginning with the Mayor's unveiling of the first test site at Geary and Stockton in Union Square on June 13, 1997. The unveiling of the JCDecaux news racks by the Mayor following a U.S. Conference of Mayor's event several weeks later generated additional publicity.

Over the next six months a number of organizations held major events that spotlighted the news rack pilot program. On October 6th, for example, San Francisco Beautiful displayed news racks provided by the four vendors at the organization's annual awards dinner. Later that month the American Public Works Association (APWA) held a well-attended seminar on alternatives to free-standing news racks. The San Francisco Planning and Urban Research Association's (SPUR) December forum was devoted entirely to a review of the pilot program.

DPW representatives such as Dan Brugmann (News Rack Program Manager), Mark Primeau (DPW Director), and Alex Mamak (Director of Communications and Public Affairs) attended other neighborhood events in which they spoke about the purpose of the news rack pilot program.

4/22/98

newsrack.xls

DPW's Newsrack Program Summary of Estimated Costs FY 1998-99

	Hours	Amount
<u>Bureau of Street Use & Mapping (BSM)</u>		
Program Manager (1373 - Special Assistant XIV)	1,700	\$55,165
Technical Support (5366 - Engineering Associate II)	250	9,953
Subtotal Salaries		65,118
Mandatory Fringe Benefits @23%		14,977
Paid Time-off @ 22%		14,326
Overhead @ 34.21% of Salaries		22,277
Equipment (4-door pick-up Truck)		20,000
Professional Services (Computer programming to customize City-wide newsrack database)		15,000
Subtotal BSM		\$137,372

<u>Bureau of Street Environmental Services (BSES)</u>		
7514 - General Laborer (pick-up and store non-compliant newsrack stands)	440	8,283
7355 - Truck Driver (pick-up and store non-compliant newsrack stands)	440	10,395
Subtotal Salaries		18,678
Mandatory Fringe Benefits @23%		4,296
Paid Time-off @ 22%		4,109
Overhead @ 56.35% of Salaries		10,525
Subtotal BSES		37,608
Total Newsrack Program Costs		\$174,980

Department: Department of Building Inspection (DBI)

Item: **Item 4, File 98-615:** Ordinance appropriating \$67,718 for salaries, fringe benefits, equipment, and services of the City Attorney for the creation of one new position to allow DBI to enforce the provisions of the Apartment Unit Conversion Ordinance.

Item 5, File 98-616: Ordinance amending the FY 1997-98 Annual Salary Ordinance reflecting the creation of one new position in DBI.

Amount: \$67,718

Source of Funds: Unreserved Fund Balance of the Building Inspection Fund, which consists of building application and building permit fee revenues paid to DBI.

Description: The Department of Building Inspection is requesting a supplemental appropriation (File 98-615), in the amount of \$67,718, to fund the creation of one new position, equipment, and Services of Other Departments (City Attorney).

The companion proposed ordinance (File 98-616) would amend the FY 1997-98 Annual Salary Ordinance to add one new position.

Comment: Ms. Paulette Hooey of the Department of Building Inspection has advised the Budget Analyst that the Department is requesting the one new position, and related costs for enforcing the provisions of the Apartment Unit Conversion Ordinance, in its FY 1998-99 Budget. Therefore Ms. Hooey has requested that the proposed ordinances be tabled.

Recommendation: In accordance with the Department's request, table the proposed ordinances.

Items 6 and 7 - Files 98-484 and 98-485

Department: Public Defender

Items: **Item 6, File 98-484:** Supplemental appropriation ordinance appropriating \$165,700 from the General Fund Reserve for salaries and fringe benefits in order to reduce attrition savings as required in the FY 1997-98 budget, and for the creation of two new permanent positions.

Item 7, File 98-485: Ordinance amending the FY 1997-98 Annual Salary Ordinance to reflect the addition of two positions in the Public Defender's Office.

Amount: \$165,700

Source of Funds: General Fund Reserve

Description: The proposed supplemental appropriation ordinance (File 98-484) would appropriate General Fund Reserve monies in the amount of \$165,700 to (a) address a projected shortfall in the Department's Permanent Salary and Fringe Benefit Accounts, and (b) fund two new permanent positions for a period of 4.3 pay periods in FY 1997-98 to address increases in the Public Defender's workload.

New Classification 8174, Civil and Criminal Attorney Positions

Mr. Peter Keane of the Public Defender's Office reports that the Office's legal representation caseload for felony cases has increased significantly in quantity and complexity since 1994 without a corresponding increase in the number of attorneys to handle the additional caseload. Attachment 1, provided by Mr. Keane, shows Public Defender Felony caseload data, including the number of cases involving "Three Strikes and You're Out" and the number of new felony Motions to Revoke Probation, for Fiscal Years 1993-94, 1994-95, 1995-96, 1996-97 and a projection for FY 1997-98.

The Public Defender is required to refer cases to the Superior Court for outside legal representation when the Office does not have sufficient resources to represent clients. In such instances the Superior Court incurs the costs of hiring

private attorneys and expert witnesses, due to the Public Defender having insufficient resources to provide legal representation. Attachment 2, provided by Mr. Keane, shows for FY 1993-94 through FY 1997-98 (a) the total costs for outside counsel in felony cases, (b) the total number of felony cases handled by outside counsel and (c) the total number of felony cases handled by the Public Defender.

Mr. Keane reports that due to a shortage of felony defense attorneys, the Public Defender withdrew from providing representation in Municipal Courtroom No. 11, a Courtroom used for Preliminary Hearings, on March 9, 1998. Since that date, according to Mr. Keane, all defense representations have been provided by outside legal counsel. Municipal Court Judge Tomar Mason, who presides over Courtroom No. 11, advised the Budget Analyst that approximately 150 cases per month are heard in Courtroom No. 11. Thus, all indigent defense representations in Courtroom No. 11 are currently being assigned to outside legal counsel.

According to Mr. Robert McCoy, Fiscal System and Services Coordinator of the Trial Courts, the average cost of hiring a private attorney and expert witnesses is approximately \$1,593 per case. Mr. Keane states the comparable cost of the Public Defender is \$622. Attachments 3 and 4, provided by Mr. McCoy and Mr. Keane, respectively, document these costs. Mr. Keane reports that a total of 31 felony cases were referred to the Superior Court between July 1, 1997 and March 31, 1998, because of insufficient resources in the Public Defender's Office. As such, the Superior Court incurred approximately \$49,383 in additional outside attorneys' fees because of these 31 cases (\$1,593 per case x 31 cases). According to Mr. Alan Carlson, Chief Executive Officer of the Trial Courts, the Trial Courts budget for outside legal counsel is to provide legal representation to indigent defendants in cases where the Public Defender declines cases because of conflicts. However, Mr. Carlson reports that the Trial Courts FY 1997-98 budget for outside legal counsel did not anticipate any expenditures related to representation in cases where the Public Defender declines cases due to lack of resources. Mr. McCoy of the Trial Courts reports that, although such expenditures were not anticipated, the Trial Courts budget should be able to absorb the increased costs without a supplemental appropriation in

FY 1997-98. The Trial Courts' FY 1997-98 budget for outside counsel is \$4,046,000. Through the first nine months of FY 1997-98, the Trial Courts had received invoices from private attorneys in the amount of approximately \$2.5 million.

According to Mr. Carlson, approval of this subject request for the Public Defender would not result in any future reductions in the proposed outside counsel budget for the Trial Courts.

The proposed supplemental appropriation ordinance (File 98-484) would appropriate \$48,000 for the salaries and fringe benefits for two new permanent Classification 8174, Civil and Criminal Attorney, positions. These two positions would be assigned to the Public Defender's Misdemeanor Division so that two other, more experienced attorneys could be transferred from the Misdemeanor Division to the Office's Felony Division. The two attorneys transferred to the Felony Division would be expected to handle approximately 80 cases in the remainder of FY 1997-98, which would have otherwise been referred to the Superior Court for outside legal council because of insufficient funds.

Projected Budgetary Shortfall

The proposed ordinance (File 98-484) would appropriate \$117,700 of the total request of \$165,700 for the purpose of reducing the Public Defender's Attrition Savings as previously required by the Board of Supervisors in the FY 1997-98 budget. The Public Defender has not adhered to the Attrition Savings but rather has permitted positions to be filled even though funds were not budgeted for all of the positions. As a result, the Public Defender has a projected budgetary shortfall in the Department's Permanent Salary and Fringe Benefit Accounts.

The Budget Analyst has reviewed the Controller's projected expenditures FY 1997-98 for salaries and fringe benefits based on actual data for the period of July 1, 1997, through April 3, 1998. The Budget Analyst concurs with the Controller's estimate that the Public Defender will incur a projected shortfall of \$124,829 for FY 1997-98, shown on the following page.

Projected Public Defender FY 1997-98 Budgetary Shortfall

	<u>Permanent Salaries</u>	<u>Fringe Benefits</u>	<u>Total</u>
FY 1997-98 Budget	\$ 7,253,728	\$ 1,535,631	\$ 8,789,359
Actual Expenditures - 7/1/97 to 4/03/98	5,561,328	1,185,400	6,746,728
Projected Expenditures - 4/04/98 to 6/30/98	1,760,099	407,361	2,167,460
Total Projected Expenditures - 7/1/97 to 6/30/98	7,321,427	1,592,761	8,914,188
Estimated Budget Surplus (Deficiency)	(67,699)	(57,130)	(124,829)
Amount Requested in this Supplemental Appropriation	94,160	23,540	117,700
Budget Analyst Recommended Increase (Reductions)	(26,461)	33,590	7,129

Budget:

A summary budget for this request, for the period beginning May 1, 1998, through June 30, 1998, is as follows:

Permanent Salaries for two new Classification

8174, Civil and Criminal Attorney \$38,400

Fringe Benefits 9,600

Subtotal \$48,000

Permanent Salaries to address the Depart-

ment's Projected Budgetary Shortfall \$94,160

Fringe Benefit to address the Department's

Projected Budgetary Shortfall 23,540

Subtotal 117,700

Total Supplemental Appropriation Request \$165,700

Attachment 5 provided by the Public Defender explains each item requested, the justification for each item, and the basis of the amount requested for each item.

Item 7, File 98-485 is an amendment to the FY 1997-98 Annual Salary Ordinance to create two new positions as follows:

<u>Positions</u>	<u>Class</u>	<u>Title</u>	Step 1	Step 5
			Biweekly- Annual	Biweekly Annual
2	8174	Civil and Criminal Attorney	\$2,004-\$104,608	\$2,435-\$127,106
—		Fringe Benefits (25%)	<u>26,152</u>	<u>31,776</u>
2		Total	\$130,760	\$158,882

As shown above, the annual cost of the requested two new positions would range from \$130,760 at Step 1 including salaries of \$104,608 and fringe benefits of \$26,152 to \$158,882 at Step 5, including salaries of \$127,106 and fringe benefits of \$31,776.

Comments:

1. With respect to the Public Defender's request for two new attorney positions, the Budget Analyst notes the following:

a. The number of attorney positions authorized in the Annual Salary Ordinance in the Public Defender's Office, including the Public Defender and the Chief Attorney I, has increased by eight, or by 12.5 percent, between FY 1992-93 and FY 1997-98, as shown below:

FY 92	FY93	FY 94	FY 95	FY 96	FY 97
<u>-93</u>	<u>-94</u>	<u>-95</u>	<u>-96</u>	<u>-97</u>	<u>-98</u>
64	69	68	71	71	72

b. Three-Strike cases, which add to the complexity of felony cases, only began in FY 1994-95 and are on the increase.

c. As shown in Attachment 1, the average reported felony caseload per public defender has increased from 210 in FY 1993-94, to 242 in 1996-97, a 15.2 percent increase, not taking into consideration the effects of the Three-Strikes Law.

2. Based on our analysis of (1) the Public Defender's reported felony caseloads, which have increased from 6,536 in FY 1993-94 to a projected 7,200 in FY 1997-98, (2) a comparison of such caseloads with other jurisdictions, which show that of eleven California counties, the San Francisco Public Defender's Office has the third highest felony caseload

average, and (3) the cost of employing outside attorneys for felony representations due to a lack of Public Defender resources, at an average cost of \$1,593 per case compared to the Public Defender's average cost of \$622 per felony case, in the professional judgment of the Budget Analyst, this request for two additional positions to provide felony representation is justified.

3. As previously noted, the proposed supplemental appropriation ordinance (File 98-484) includes \$48,000 in Permanent Salary and Fringe Benefit funding for the requested two new positions. However, according to Mr. Keane, the new positions could not be filled prior to June 8, 1998. According to Mr. Keane, the positions would be filled at Step 1. The two positions, if funded, should be allocated \$8,518, including \$6,814 in Permanent Salaries and \$1,704 in Fringes, to fund the two positions for 1.7 pay periods, from June 8, 1998, to June 30, 1998. Therefore, the amount of \$48,000 for Permanent Salaries and Fringe Benefits for the two new positions should be reduced by \$39,482, from \$48,000 to \$8,518.

4. With respect to the \$117,700 funding request to address the Department's projected budgetary shortfall (\$94,160 in salaries and \$23,540 in fringe benefits), based on the Budget Analyst's analysis of Permanent Salaries and Fringe Benefits, \$124,829 is needed, or \$7,129 more than this request of \$117,700 (\$67,699 in salaries and \$57,130 in fringes). Therefore the Department's total request of \$117,700 for Permanent Salaries and Fringe Benefits to address the projected budgetary shortfall should be increased by \$7,129 from \$117,700 to \$124,829 (an increase of \$33,590 in fringe benefits less a reduction of \$26,461 in salaries).

5. In summary, the Budget Analyst recommends the following adjustments to the proposed supplemental appropriation ordinance:

<u>Category</u>	<u>Supplemental Appropriation Request</u>	<u>Amount Recommended by Budget Analyst</u>	<u>Budget Analyst's Recommended Increases (Reductions)</u>
Permanent Salaries:			
New Positions	\$38,400	\$6,814	(\$31,586)
Projected Budgetary Shortfall	<u>94,160</u>	<u>67,699</u>	<u>(26,461)</u>
Subtotal	\$132,560	\$74,513	(\$58,047)
Fringe Benefits:			
New Positions	\$9,600	\$1,704	(\$7,896)
Projected Budgetary Shortfall	<u>23,540</u>	<u>57,130</u>	<u>33,590</u>
Subtotal	\$33,140	\$58,834	\$25,694
TOTALS	\$165,700	\$133,347	(\$32,353)

Recommendations: 1. In accordance with Comment Nos. 3, and 5, reduce the \$38,400 requested for Permanent Salaries for two new positions by \$31,586 to \$6,814 and reduce the \$9,600 for Fringe Benefits requested for two new positions by \$7,896 to \$1,704 for a total reduction of \$39,482 (File 98-484).

2. With respect to the Public Defender's funding request of \$117,700 to address a projected budgetary shortfall in the Permanent Salaries and Fringe Benefit accounts, in accordance with Comment Nos. 4 and 5, the Department's request of \$117,700 should be increased by \$7,129 (\$33,590 for additional Fringe Benefits less \$26,461 in Salaries) to \$124,829. However, we consider approval of the projected budgetary shortfall of \$124,829 to be a policy decision for the Board of Supervisors since the Public Defender did not adhere to the Attrition Savings as required by the Board of Supervisors in the finally approved FY 1997-98 budget.

3. Approve the amendment to the Annual Salary Ordinance to add two new positions (File 98-485).

ATTACHMENT 1

PUBLIC DEFENDER FELONY
UNIT CASELOAD

	<u>93-94</u>	<u>94-95</u>	<u>95-96</u>	<u>96-97</u>	<u>97-98</u> PROJECTED
Total public defender felony cases	5817	5414	4766	5914	5300
Total new felony motions to revoke probation	1719	1908	1810	2145	1900
Total caseload	6536	7322	6576	8059	7200
No. of felony public defenders	9 - 8180s 11 - 8178s <u>11 - 8176s</u>	9 - 8180s 11 - 8178s <u>11 - 8176s</u>	9 - 8180s 11 - 8178s <u>11 - 8176s</u>	9 - 8180s 11 - 8178s <u>13 - 8176s</u>	9½ - 8180s 11 - 8178s <u>13 - 8176s</u>
Total	31 lawyers	31 lawyers	31 lawyers	33 lawyers	33½ lawyers
Average caseload per public defender	210	237	213	242	215
Number of 3-strike cases	0	53	104	109	115

ATTACHMENT 2

FELONY CASELOAD FOR PUBLIC DEFENDERS
AND FOR ASSIGNED OUTSIDE COUNSEL

	<u>93-94</u>	<u>94-95</u>	<u>95-96</u>	<u>96-97</u>
Total costs for outside counsel in felony cases	\$3,794,821	\$3,293,935	\$3,554,575	\$2,432,464
Total felony cases for outside counsel	1598	1430	1392	1062
Total felony cases for public defender	6536	7322	6576	8059

ATTACHMENT 3

The average cost of a felony case for Public Defenders is \$622. This cost is based on a total felony cost basis of \$5 million for Public Defender representation of indigent defendants against an anticipated 8039 felony cases for the FY 97-98.

The estimate of felony cases is based on the current volume to date annualized.

ATTACHMENT 4

	FELONY			Grand
	Regular	Serious	Life	Total

FY 97/98 (Actual July through March 31, 1998)

No. of cases	952	120	41	1113
Average Cost /Case	\$ 711	\$ 4,583	\$ 6,843	\$ 1,593.08
Total Amount	\$ 676,644	\$ 733,310	\$ 383,147	\$ 1,773,101

FY 96/97

No. of cases	1633	189	39	1861
Average Cost /Case	\$ 658	\$ 5,026	\$ 10,225	\$ 1,302.10
Total Amount	\$ 1,074,514	\$ 949,914	\$ 398,775	\$ 2,423,203

FY 95/96

No. of cases	1942	248	55	2245
Average Cost /Case	\$ 676	\$ 6,621	\$ 10,905	\$ 1,583.33
Total Amount	\$ 1,312,792	\$ 1,642,008	\$ 599,775	\$ 3,554,575

FY 94/95

No. of cases	2081	234	53	2368
Average Cost /Case	\$ 716	\$ 5,148	\$ 12,621	\$ 1,420.22
Total Amount	\$ 1,489,996	\$ 1,204,164	\$ 668,913	\$ 3,363,073

FY 93/94

No. of cases	2091	330	54	2475
Average Cost /Case	\$ 617	\$ 3,435	\$ 11,016	\$ 1,219.62
Total Amount	\$ 1,290,147	\$ 1,133,550	\$ 594,864	\$ 3,018,561

ATTACHMENT 5

Breakdown of costs for supplemental -

2 - 8174 attorneys beginning May 1, 1997

These two additional attorneys are necessary for the Public Defender's Office to carry out the constitutional Sixth Amendment requirement to provide effective assistance of counsel to defendants. The increased number and complexity of felony cases has made it unethical for Public Defenders to attempt to represent so many cases. The only alternative the office has to having the additional lawyers is to decline to accept more cases and the City will pay the heavy expense of private counsel.

Cost	\$38,400	- Salaries
	<u>9,600</u>	- Fringes
	\$48,000	

Attrition Deficit for 1997-98	-	\$117,700
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The office has not had sufficient attrition with any periods of vacancies that could have fulfilled the required attrition savings that was set. When there has been turnover, we had to hire replacements immediately in order to get attorneys into the courts and take over the caseloads of their predecessors. If we had not been able to do this, we would have had to decline representation in a significant number of cases and have private lawyers appointed at a much higher cost to the City.

Item 8 – File 98-593

Department: District Attorney's Office

Item: Resolution concurring with the Controller's certification that legal process server services can continue to be practically performed for the District Attorney, Family Support Bureau, by a private contractor for a lower cost than similar services performed by City and County employees.

Services to be Performed: Legal Process Service

Description: Charter Section 10.104 provides that the City may contract with private firms for services which have been performed by City employees if the Controller certifies, and the Board of Supervisors concurs, that such services can in fact be performed by private firms at a lower cost than similar work services performed by City employees.

The Controller has determined that contracting for Legal Process Services for FY 1998-99 would result in estimated savings as follows:

	Lowest Salary	Highest Salary
<u>Estimated City Cost</u>	<u>Step</u>	<u>Step</u>
Salaries	\$273,665	\$308,429
Fringe	86,486	91,951
Operating Costs	<u>59,460</u>	<u>59,460</u>
Total	\$419,611	\$459,840
Estimated Contractual Services Cost	(174,912)	(179,462)
Estimated Savings	\$244,699	\$280,378

Comment: 1. According to Mr. Merlin Zimmerly of the Family Support Bureau, the estimated contractual services costs is based on the volume of services required.

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2. Mr. Zimmerly reports that this service has been continuously provided by an outside contractor since 1985 and has been certified as required by Charter Section 10.104.

3. Mr. Zimmerly reports that the Family Support Bureau two-year contract with L and L Legal Assistance Inc. for the subject legal process services will expire June 30, 1998. The Family Support Bureau wishes to exercise its option to renew this contract. Approval of the proposed resolution is required before the contract with L and L Legal Assistance Inc. can be renewed.

4. The Controller's supplemental questionnaire with the responses of the Family Support Bureau is shown in the Attachment.

Recommendation: Approve the proposed resolution.

CHARTER 8.300-1 (PROPOSITION J) QUESTIONNAIRE

DEPARTMENT: D.A. Family Support Bureau

CONTRACT SERVICES: Legal Process Service

CONTRACT PERIOD: July 1, 1998 - June 30, 1999

(1) **Who performed activity/service prior to contracting out?**

Four Family Support Bureau staff, 2 8102 Process Servers and 2 8158 FSB Investigator IIs. At that time, however, the volume of required services was significantly lower than the current need.

(2) **Number of City employees laid off as a result of contracting out?**

Two vacant position (2 8102s) were deleted in FY 84/85 budget.

(3) **Explain disposition of employees if they were not laid off?**

N/A

(4) **What percentage of City employee's time is spent on services to be contracted out?**

N/A

(5) **How long have the services been contracted out? Is this likely to be a one-time or an ongoing request for contracting out?**

Since Fiscal Year 1985-86. Ongoing.

(6) **What was the first fiscal year for a Proposition J certification? Has it been certified for each subsequent year?**

Fiscal Year 1985-86. Yes.

(7) **How will contract services meet the goals of your MBE/WBE Action Plan?**

Contractor is a Minority Business Enterprise (MBE).

(8) **Does the proposed contract require that the contractor provide health insurance for its employees? Even if it is not required, does the proposed contractor provide health insurance for its employees?**

Contract does not require contractor to provide health insurance. However, contractor does provide health insurance.

(9) **Does the proposed contractor provide benefits to employees with spouses? If so, are the same benefits provided to employees with domestic partners? If not, how does the proposed contractor comply with the Domestic Partners ordinance?**

Contractor provides the same benefits to all employees.

Department Representative: Merlin Zimmerly

Telephone Number: (415) 356-2979

Items 9 and 10 - Files 98-631 and 98-632

Department: Department of Public Health (DPH), Community Health Network (CHN)

Items: **Item 9, File 98-631:** Supplemental appropriation ordinance appropriating \$15,775,056 from Medicare and Medi-Cal revenues in excess of budget estimates to fund increased salaries, fringe benefits, professional services, materials, equipment, facilities maintenance, and the creation of 75.7 new positions at the CHN for FY 1997-98.

Item 10, File 98-632: Ordinance amending the FY 1997-98 Annual Salary Ordinance to reflect the addition of 75.7 new positions at the CHN.

Amount: \$15,775,056

Source of Funds:	Federal Medicare Acute Discharges	\$ 2,887,254
	Medi-Cal SB855	6,517,584
	Medi-Cal SB1255	1,500,000
	Medi-Cal Administrative Activities (MAA)	<u>4,870,218</u>
		\$15,775,056

The proposed supplemental appropriation would be funded by State and Federal funds in excess of FY 1997-98 budget estimates. Medicare Discharges (\$2,887,254) are Federal funds used to reimburse the City for qualifying medical services. Medi-Cal SB 855 (\$6,517,584) and Medi-Cal SB 1255 (\$1,500,000) are State and Federal supplemental payments, administered by the State, to disproportionate share hospitals, such as San Francisco General Hospital (SFGH). Medi-Cal Administrative Activities (\$4,870,218) are Federal funds, administered by the State, to cover expenses related to the administration of the Medi-Cal program such as determining eligibility, record keeping, billing and intake.

Budget: A summary budget for the requested \$15,775,056 is as follows:

75.7 New Positions	
Permanent Salaries	\$ 1,001,720
Fringe Benefits	139,861
Temporary Salaries	3,600,000
Professional Services	3,493,925
Other Current Expenses	63,500
Materials and Supplies	5,878,850
Equipment	1,282,800
Facilities Maintenance	<u>314,400</u>
Total	\$15,775,056

Description: The requested supplemental appropriation of \$15,775,056 would provide funding to the Community Health Network (CHN) for 75.7 new positions and related costs for the provision of medical services, materials and supplies, equipment, renovations, and administration. In 1996 the DPH reorganized into two divisions: Public Health and the CHN. The CHN includes SFGH, Laguna Honda Hospital, Forensic Services, and Primary Care. The following is a description of DPH's proposed expenditures by functional area.

Description by Functional Area

Inpatient Nursing \$ 1,019,008

DPH advises that the average daily medical/surgical census exceeded FY 1997-98 budget estimates by 8 patients per day, from 204 to 212 patients per day. In addition, DPH advises that there has been an increase in the number of patients with acute medical-psychiatric diagnoses. This supplemental appropriation includes funding for 15.2 new positions and additional funding for materials and supplies to address this increase in patient volume. DPH reports that 13.2 of the 15.2 new positions have already been filled on a temporary basis, since July 1, 1997, prior to receiving approval from the Board of Supervisors. According to DPH, these positions were required to be filled based upon the SFGH Operating Plan's nurse model which establishes a required ratio of health care provider hours per patient day. DPH reports that, if 15.2 new positions are approved, it plans to use these new positions to create a new 32-bed Medical-Psychiatric acute care unit in SFGH which will specialize in care for patients with such multiple diagnoses.

The requested funds for Inpatient Nursing also includes increased funding for four professional services contracts for providing certified nursing assistance for patients with psychiatric disorders or psychosocial problems. Also, a new 1.0 FTE Nurse

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Practitioner position will be added for the Skilled Nursing Facility Unit under the SFGH Operating Plan's nurse model to address patient volume in this unit which has increased by 3 patients per day, from 19 to 22 patients per day.

The proposed expenditures for Inpatient Nursing are detailed below:

Permanent Salaries (13.2 FTEs funded for 12 mos. and 3.0 FTEs funded for 0 mos.)	
Create 16.2 new positions	\$345,500
Fringe Benefits	48,618
Professional Services – Contract Nursing Assistance	586,024
Materials and Supplies	<u>38,866</u>
Total requested	\$1,019,008

Outpatient Services **\$483,052**

DPH reports that the level of care provided in SFGH's Emergency Department has increased in volume over FY 1997-98 budgeted levels. DPH reports that the average number of patients diverted to other hospitals for treatment due to staffing shortages has increased. This is measured by the average percentage of patient hours diverted to other hospitals per month. In 1996, an average of 1.8 percent of patient hours per month were diverted, in 1997 the number has increased to 3.07 percent, and early 1998 figures indicate that the number has risen to 7.0 percent. In addition, new State Title 22 mandated standards of patient care require increased staffing for patients designated as intensive care patients in the Emergency Department. DPH is requesting 5.0 FTE new Registered Nurse positions to address volume increases and the Title 22 staffing requirements.

DPH is also requesting 7.5 FTE new clerical support staff positions in SFGH's Adult Medical Clinic which provides primary care services. DPH requests these support staff positions in order to increase to industry standards the ratio of support staff to providers. DPH is also requesting funds in the amount of \$200,000 to provide additional salary funds for DPH health care workers, as well as \$54,000 in per diem expenses for a professional services contract with the University of California at San Francisco (UCSF), for the provision of psychiatric emergency services in the City's homeless shelters for the 12-month period from July 30, 1997 through June 30, 1998. Funds would also be used to expand a second contract with UCSF for the provision of specialized prenatal services to undocumented women for the 12-month period from July 30, 1997 through June 30, 1998.

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The proposed expenditures for Outpatient Services are detailed below:

Permanent Salaries (12.5 positions funded for 2 months)	
Create 12.5 new positions and fund 12 mos. salaries for services to homeless shelters	\$307,543
Fringe Benefits	21,509
Professional Services	
Psychiatric Emergency Services for Homeless Shelters (UCSF)	54,000
Prenatal services for undocumented individuals (UCSF)	100,000
Total requested	\$483,052

Ancillary Services \$337,112

DPH is requesting additional funds related to the increases in inpatient and outpatient volume, as described above, in four areas: Electrocardiology, Radiology, Rehabilitation Services, and Pharmacy. DPH reports that additional materials and supplies are required for Electrocardiology, and is requesting an expansion of an existing contract with UCSF to provide Electrocardiology related services. DPH is requesting 2.0 FTE new radiology technician positions in Radiology; 2.5 FTE new positions in Pharmacy; and 4.0 FTE new occupational and physical therapist positions in Rehabilitation Services. In addition, DPH is requesting funds for computer equipment to support the new positions.

The proposed expenditures for Ancillary Services are detailed below:

Permanent Salaries (all positions funded for 2 months)	
Create 8.5 FTE new positions	\$81,077
Fringe Benefits	16,215
Professional Services	
Electrocardiology Services (UCSF)	30,000
Materials and Supplies - Electrocardiology	207,320
Computer Equipment	2,500
Total requested	\$337,112

Clinical Support \$1,493,559

DPH is requesting additional funds to expand existing professional services contracts to fund increased utilization of the following services: (a) inpatient services for unsponsored patients; (b) tertiary care (complex medical cases) for indigent patients; and (c) prenatal care to undocumented individuals. This request includes 2.0 FTE new Medical Social Workers to provide evening and weekend coverage in SFGH's Emergency Department and a 1.0 FTE new Medical Social Worker position for SFGH's Family Practice Clinic. This request also includes funds for psychiatric consulting and liaison services including a 1.0 FTE new Clinical Nursing Specialist position and the expansion of a second contract with UCSF for

services for the proposed Medical-Psychiatric Unit described above under "Inpatient Nursing."

DPH is also requesting a 1.0 FTE new Chief Medical Officer who will coordinate policies across medical departments in the CHN to ensure that medical protocols are consistent across the organization. DPH is also requesting a 1.0 FTE new Registered Nurse position to provide staff development services and 6.0 new Registered Nurse and Health Care Analyst positions to provide quality management services at the CHN, including 3.0 FTE of such positions dedicated to Laguna Honda Hospital. Funds for office supplies and computer equipment to support the new positions are also requested.

The proposed expenditures for Clinical Support are detailed below:

Permanent Salaries (6.0 FTEs funded for 2 mos. and 6 FTEs funded for 0 mos.)	
Create 12.0 FTE new positions	\$67,882
Fringe Benefits	13,576
Professional Services	
Medical Services for Un-sponsored Patients (UCSF)	600,000
Tertiary Care for Indigent Patients (UCSF)	600,000
Prenatal Services - Undocumented Individuals (Mission Neighborhood Health Center)	100,000
Psychiatric Consultation & Liaison Services for new Medical-Psychiatric Unit (UCSF)	76,101
Office Supplies	13,500
Computer Equipment	22,500
Total requested	\$1,493,559

Operating Support **\$213,235**

To meet the increase in patient volume, DPH is requesting 1.0 FTE new Dietician position for Food Services as well as increased funding to cover food supplies and linen. In addition, DPH is requesting a 1.0 FTE new Information Services Administrator position to maintain the SFGH's new Materials Management information system and 3.5 FTE new Assistant Storekeeper positions to handle increased volume in the Materials Management receiving and distribution functions at CHN's Health Centers and Clinics, Forensic Services, and SFGH Inpatient Services.

The proposed expenditures for Operating Support are detailed below:

Permanent Salaries (all positions funded for 2 months)	
Create 5.5 FTE new positions	\$33,634
Fringe Benefits	6,727
Other Current Expenses - Laundry/Linen	16,000
Materials & Supplies - Patient meals	149,374
Computer Equipment	7,500
Total requested	\$213,235

Billing Compliance

\$2,100,121

DPH is requesting expansion of its billing compliance program through the addition of 15.0 FTE positions. This includes a 1.0 FTE new Compliance Officer position, 2.0 FTE accounting positions, 7.0 FTE new medical records personnel positions, and 5.0 FTE new management information services positions to maintain billing system, instruct and orient users, and assist with generating reports. DHS's request includes funds for professional consulting services, hardware, software and system modifications to allow CHN to become Year 2000 compliant. Finally, DPH requests funds for a professional services contract to expand a pilot program of a dictation and transcription system.

The proposed expenditures for Billing Compliance are detailed below:

Permanent Salaries (all positions funded for 2 months)	
Create 15.0 FTE new positions	\$123,851
Fringe Benefits	24,770
Professional Services Contracts	
MIS Strategic Projects - Year 2000 Software Upgrades	500,000
Financial Consultant Services (various consultants)	300,000
Expansion of Dictation and Transcription System	200,000
Office Supplies	34,000
Computer Equipment	<u>917,500</u>
Total requested	<u>\$2,100,121</u>

Managed Care

\$416,881

DPH is requesting the creation of 6.0 new positions for DPH's existing and new managed care contracts, including Health Families and In-Home Supportive Services. These positions include 1.0 FTE Patient Account Supervisor, 1.0 FTE Health Care Analyst, 1.0 FTE Principal Administrative Analyst and 3.0 FTE Data Entry Operators. In addition, DPH is requesting funds for the expansion of three professional services contracts for claims payment services, computer system modification and marketing services. This request also includes computer equipment for the new positions.

The proposed expenditures for Managed Care are detailed below:

Permanent Salaries (5.0 FTEs funded for 2 mos. and 1 FTE funded for 0 mos.)	
Create 6.0 FTE new positions	\$42,234
Fringe Benefits	8,447
Professional Services Contracts	
Claims Payment Services (UCSF)	7,800
Modification of Diamond Managed Care System Software	40,000
Healthy Family Program Marketing Services	300,000
Computer Equipment	<u>18,400</u>
Total requested	<u>\$416,881</u>

Facilities Maintenance & Equipment for Medical/Psychiatric Unit \$628,800

DPH is requesting funds for renovations at SFGH and to purchase furniture including patient beds, chairs, tables and televisions to create the proposed new Medical/Psychiatric Unit described under "Inpatient Services" above. The Budget Analyst has reviewed supporting budget details for the proposed expenditures.

The proposed expenditures for Facilities Maintenance are detailed below:

Equipment (beds, chairs, tables, televisions, etc.)	\$314,400
Facilities Maintenance (renovation costs)	<u>314,400</u>
Total requested	\$628,800

Temporary Salaries \$3,600,000

DPH reports that the CHN has relied upon temporary personnel to meet unbudgeted increases in patient volume. CHN is requesting \$3,600,000 to fund a projected budgetary shortfall in Temporary Salaries in SFGH and Primary Care. As of the pay period ending March 20, 1998, the Controller's Office projects that the Department's year-end budgetary shortfall in Salaries at SFGH and Primary Care will be \$4,110,495. The Budget Analyst concurs with this analysis. DPH advises that the additional need for \$510,495 will come from salary savings which will be realized at Laguna Honda Hospital.

Materials and Supplies (Pharmaceuticals) \$5,483,290

The proposed supplemental appropriation includes the amount of \$5,483,290 for a projected budgetary shortfall in CHN's FY 1997-98 Materials and Supplies budget. According to DPH, CHN has experienced increased inpatient and outpatient volume and price increases due to the availability of new drug therapies for AIDS, mental illness, and cancer as well as changes in the types of drugs allowed under State and Federal guidelines that have resulted in a projected budgetary shortfall for pharmaceutical materials and supplies.

An analysis of the projected budget shortfall in SFGH's Materials and Supplies budget performed by the Budget Analyst is as follows:

Memo to Finance Committee
May 6, 1998 Finance Committee Meeting

<u>FY 1997-98 Revised Budget</u>	<u>Actual Expenditures 7/1/97 - 4/29/98</u>	<u>Projected Expenditures 4/4/30 -6/30/98</u>	<u>Budget Surplus (Deficiency)</u>	<u>Supplemental Appropriation Requested by DPH</u>	<u>Budget Analyst Recommended Reduction</u>
\$37,221,282	\$31,098,679	\$12,448,012	(\$6,325,409)	\$5,483,290	\$0

As noted in the table above the Budget Analyst projects a budgetary shortfall of \$6,325,409 in SFGH's Materials and Supplies budget, or \$842,119 more than the \$5,483,290 budgetary shortfall projected by DPH. If additional funding is approved, DPH advises that it will take measures to ensure that expenditures do not exceed the appropriated funds.

Comments:

1. Item 10, File 98-632 is an amendment to the FY 1997-98 Annual Salary Ordinance to create 75.7 FTE new positions as shown on Attachment 1. The annual cost of the 75.7 FTE new positions would range from \$4,422,066 at Step 1, including salaries of \$3,729,485 and fringe benefits of \$692,581, to \$5,250,639 at Step 5, including salaries of \$4,421,098 and fringe benefits of \$829,541. Ms. Monique Zmuda of DPH advises that all of the 75.7 FTE positions have been budgeted at Step 3, with the exception of 3.0 FTE Management Information System (MIS) positions which have been budgeted at Step 5, at a total annualized cost of \$304,086 in FY 1997-98, including \$253,405 in salaries and \$50,681 in fringe benefits. Ms. Zmuda states that the reason all of the positions are budgeted for Step 3 and Step 5, with none at Step 1, is because the salaries in the health care industry are very competitive and that DPH has difficulty attracting experienced, qualified health care providers and staff at less than median to top salary ranges. In addition, Ms. Zmuda advises that there is a nursing shortage at this time, making recruitment of qualified nurses more difficult.

2. Of the 75.7 new positions, funding for 13.2 FTE positions is requested for a 12-month period, from July 1, 1997 through June 30, 1998. As noted above, these positions have been filled on a temporary basis since July 1, 1997, prior to obtaining approval from the Board of Supervisors.

Ms. Zmuda advises that none of the remaining 62.5 FTE positions (75.7 less 13.2) have been filled. Of these, 10.0 FTEs are not funded by this supplemental appropriation request because, according to Ms. Zmuda, the Mayor's Office

BOARD OF SUPERVISORS
BUDGET ANALYST

has requested that DPH absorb the costs for these positions over the one-month period in DPH's existing FY 1997-98 budget. The remaining 52.5 FTEs would be funded for a 2-month period, from May 1, 1998 through June 30, 1998. However, according to Ms. Zmuda, these 52.5 FTE new positions will not be filled until June 1, 1998. Therefore, Permanent Salaries should be reduced by \$228,111, from \$1,001,709 to \$773,598 and Fringe Benefits should be reduced by \$45,622, from \$139,862 to \$94,240.

3. DPH estimates that, of the requested supplemental appropriation of \$15,775,056, expenditures of an estimated \$10,504,614, or approximately 67 percent, have already been incurred by DPH without first obtaining the approval of the Board of Supervisors. Therefore the proposed supplemental appropriation should be amended to provide for retroactivity.

4. DPH is requesting total funding in the amount of \$967,800 for new computers and related equipment. The proposed technology enhancements have been approved by the Committee on Information Technology (COIT).

5. No General Fund monies would be necessary for this supplemental appropriation since all proposed expenditures are supported by State and Federal revenues. However, it should be noted that all such monies could be added to the General Fund Reserve if not used as a source of funds for this supplemental appropriation.

Recommendations: 1. Amend the proposed supplemental appropriation (File 98-631) by reducing the appropriation by a total of \$273,733, from \$15,775,056 to \$15,501,323 as follows:

- Reduce Permanent Salaries by \$228,111, from \$1,001,709 to \$773,598 (Comment No. 2).
- Reduce Fringe Benefits by \$45,622, from \$139,862 to \$94,240 (Comment No. 2).

2. Approval of the proposed ordinances, as amended, is a policy decision for the Board of Supervisors, particularly since an estimated \$10,504,614, or approximately 67 percent of this supplemental appropriation request of \$15,775,056, have been incurred without first obtaining approval of the Board of Supervisors.

Item 11 - File 98-633

Department: Department of Public Works

Item: Supplemental appropriation ordinance from the City's General Fund Reserve to fund the construction costs of City Hall relating to the non-seismic work.

Amount: \$22,477,779

Source of Funds: General Fund Reserve

Description: The proposed supplemental appropriation would be used to fund the completion of the non-seismic repairs for City Hall. In June of 1990, San Francisco voters approved \$332,400,000 in General Obligation Public Safety Improvement Bonds, Phase 2 (ESP2-Proposition A) to repair, upgrade and seismically reinforce earthquake damaged City-owned buildings. To date, \$96,036,458 of the ESP2 seismic bonds, including \$84,036,458 of ESP2 seismic bond funds and \$12 million of interest earnings, have been appropriated for the City Hall project.

In addition to the City's 1990 seismic bond funds of \$96,036,458, the City Hall Project has also received approximately \$78,999,999 from the Federal Emergency Management Agency (FEMA) and \$26,333,333 from the State Office of Emergency Services (OES) for a total of \$201,369,790 of seismic repair funds for City Hall. However, the current total estimated seismic and seismic-related repair costs for City Hall is \$211,668,000, or \$10,298,210 more than the City has received, to date.

In November of 1995, San Francisco voters approved a \$63,590,000 General Obligation bond issuance to pay for the non-seismic improvements needed for City Hall (Proposition A). To date, all of the \$63,590,000 of the non-seismic bond funds, as well as an additional \$4,892,702 of interest earnings from this non-seismic bond fund, for a total of \$68,482,702 have been appropriated for the City Hall project to complete the non-seismic improvements.

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As shown in Attachment 1 and, as previously reported, the total estimated cost of the City Hall project, including both seismic and non-seismic repairs is \$292,727,515. As shown in Attachment 1, each of the above funding sources, including the City's General Obligation seismic and non-seismic bond funds and the FEMA and OES funds is identified. Additionally, the funding sources include \$97,000 from the City's General Fund, \$26,493 for Energy Conservation from Hetch Hetchy and \$273,751 for FEMA Administration. Together, all funding sources, to date, total \$270,249,736.

Given that the estimated total cost to complete City Hall's seismic and non-seismic improvements is \$292,727,515, the current projected shortfall of funds to complete the City Hall project, including both seismic and non-seismic improvements, is \$22,477,779. The proposed supplemental appropriation of General Fund revenues of \$22,477,779 would be used to fund the remainder of the non-seismic improvements to complete the City Hall project.

If the Board of Supervisors approves the proposed General Fund appropriation for \$22,477,779, together with the \$97,000 of General Fund revenues previously appropriated for the City Hall project, the General Fund would pay a total of \$22,574,779, or 7.7 percent of the estimated total project cost of \$292,727,515 for the City Hall project.

Comments:

1. In December of 1997, the Department of Public Works (DPW) received a supplemental appropriation of \$25,192,702 for the City Hall project (a) from 1990 reappropriated seismic bond funds (\$8,300,000) (b) interest earnings from the 1990 seismic bond funds (\$12,000,000) and (c) interest earnings from the 1995 non-seismic bond funds (\$4,892,702). The \$8,300,000 from the 1990 seismic bond funds were reappropriated from funds which had been previously allocated to various other projects which needed seismic strengthening, including the Department of Public Health's 101 Grove Street Building. The purpose of that \$25,192,702

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reappropriation of funds was to provide for seismic related improvements to City Hall which had not been included in the original scope of the seismic projects.

2. At the time the Board of Supervisors approved this \$25,192,702 supplemental appropriation, Mr. Tony Irons of DPW reported that these funds would not be sufficient to fully fund the completion of the City Hall non-seismic related work and that there was a remaining shortfall of \$22,477,779. However, in December of 1997, Mr. Irons indicated that the City would be submitting an application for Federal Hazard Mitigation grant funds of approximately \$55 million for reimbursement of the City's ESP2 seismic costs for the City Hall base isolation system, an underground seismic support system which has already been completed. Mr. Irons reported that he anticipated receiving the total \$55 million of Federal Hazard Mitigation grant funds and that any funds which the City received that exceeded the \$22,477,779 projected shortfall of funds would be used to repay the ESP2 bond fund, which would then be available for other City facilities which are eligible to be allocated ESP2 seismic funds, such as the Department of Public Health's 101 Grove Street Building.

As shown in Attachment 2, Mr. Irons reported in a letter dated December 11, 1997, that if the DPW was not successful in securing at least \$22 million of the Federal Hazard Mitigation grant funds by February 1, 1998, Mr. Irons would submit a prioritized list of items of the remaining work to be completed at City Hall. Mr. Irons stated that "the Mayor and the Board of Supervisors can then select a design direction in concert with a review of available General Fund monies." However, as of the writing of this report, no such list has been submitted to the Board of Supervisors.

3. In response to the Budget Analyst's inquiries regarding why DPW has not submitted a prioritized list of projects for City Hall to the Board of Supervisors, Mr. Tony Irons provided Attachment 3.

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As reflected in Attachment 3, Mr. Irons basically states that DPW did not return to the Board of Supervisors with the prioritized list because DPW was awaiting a decision from FEMA regarding the Federal Hazard Mitigation grant application and DPW was anticipating that FEMA would fully fund the City's application. While February 9, 1998 was the deadline date for State OES approval, FEMA extended that date to March 9, 1998. Even though the FEMA application process has been delayed, DPW had indicated that they would formally notify the Board of Supervisors by the date DPW previously established of February 1, 1998.

As a result of not notifying the Board of Supervisors by the February 1, 1998 deadline, Mr. Irons states in his letter that "While it is true that the options for the elimination of work on February 1st of this year were better than they are now, it is possible to reduce the scope of work, but these reductions would result in a partially occupiable building. . . . In my view, elimination of the work as designed and contracted at this point would seriously compromise the success of this project."

4. As a result, DPW is now requesting, through this proposed supplemental appropriation ordinance in the amount of \$22,477,779, that the City provide all of the remaining funds needed to complete the non-seismic improvements to City Hall, utilizing the City's General Fund Reserve.

5. Mr. Irons reports that DPW submitted a grant request to the Federal Emergency Management Agency (FEMA), through the State Office of Emergency Services (OES), on January 8, 1998 for Federal Hazard Mitigation funds of \$48 million, instead of the \$55 million previously reported. According to Mr. Irons, the total FEMA grant application is actually for \$64 million, including local matching funds of 25 percent, or \$16 million, which leaves a remaining balance of \$48 million of FEMA funds. Mr. Irons indicates that the local matching funds would be funds previously allocated from the 1990 ESP2 seismic bond funds. The State OES

reviewed the City's application and submitted the City's application to FEMA on March 9, 1998. According to Mr. Irons, because it is a competitive application process, only approximately 20 percent of the applications submitted by various California jurisdictions to OES were approved and submitted to FEMA. As of the writing of this report, DPW has not received a response from FEMA regarding when a decision will be made on the City's pending grant application. Mr. Irons indicates that he does not know (1) when FEMA will make a decision regarding the City's pending grant application, (2) whether or not the City will be successful in receiving grant funds from FEMA, and (3) if the City were successful in being awarded FEMA grant funds, how much grant funds the City would actually receive. Mr. Irons indicates that he hopes that the proposed request for supplemental appropriation of funds from the City's General Fund is only a loan of City monies, pending the receipt of the Federal Hazard Mitigation grant funds from FEMA.

6. However, Mr. Irons indicates that DPW has encumbered all of the funds that have thus far been appropriated for the City Hall project. To date, out of the total revenues of \$270,249,736 appropriated for this project, DPW has actually expended a total of \$207,989,127 and has encumbered a total of \$269,946,322, including approximately \$12 million which have not yet been approved by the Controller's Office.

7. According to Mr. Irons, if the proposed supplemental appropriation of funds is not approved, the City Hall project cannot continue. Attachment 4 identifies five negative impacts that will result if the proposed supplemental appropriation is not approved. As reflected in Attachment 4, provided by Mr. Irons, if the Board of Supervisors does not approve the proposed supplemental appropriation, as requested, the City will incur major financial problems, according to Mr. Irons, such as incurring approximately \$575,000 per month in extended overhead construction contractor costs, incurring approximately \$430,000 per month in City staff and

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construction management consultant costs and approximately \$240,000 per month in lease extension costs for various City departments, for a total of approximately \$1,245,000 per month of additional costs.

8. Mr. Irons reports that if the proposed supplemental appropriation is approved, the City Hall project can continue on schedule. As previously reported, City Hall is anticipated to be completed by January 2, 1999. According to Mr. Irons, that date is still correct and he states that City departments are scheduled to begin moving into City Hall in late November of 1998.

9. Attachment 5 identifies (a) those City Departments/Divisions that previously occupied City Hall, (b) the amount of square feet for each of these Departments/Divisions and (c) the proposed Departments/Divisions to occupy City Hall after the renovations are completed, including the amount of square feet and the maximum number of occupants per Department/Division. Prior to the renovations at City Hall, a total of 1,306 City Department employees were located in City Hall, including volunteers, temporary help and trainees. In December of 1997, when the previous supplemental appropriation was approved for City Hall, DPW had initially proposed that a total of 749 City Department employees be relocated to City Hall, including volunteers, temporary help and trainees, which was a reduction of 557 employees. At its meeting of December 17, 1997, the Finance Committee directed that more City Departments and employees be relocated back to City Hall. As a result, Mr. Irons reports that the current plans provide that a total of 1,071 employees be returned to City Hall. If this latest plan is adhered to, there would be 231, or 17.7 percent fewer employees in City Hall from the 1,302 previously located in City Hall. According to Mr. Irons, this reduction is due to ADA, fire safety, new services such as childcare, security and mechanical, electrical and control rooms.

10. As previously reported, we note that a reduction in the number of employees to be relocated to City Hall, results in not realizing all potential savings previously envisioned in lease costs for rent of private office space for these City employees. These costs are estimated at approximately \$4,500 per year per employee, based on approximately 250 square foot per employee at \$18 per square foot per year. Mr. Irons had previously indicated that additional revenues might be realized if the City is willing to charge a fee beyond the operational cost for use of City Hall's two grand public spaces in the light courts for events, anticipating revenues of \$260,000 for one event per week to as much as \$1,000,000 for four events per week. However, Mr. Irons reports that, to date, a policy for making such space available to the public and the related rental rates have not yet been established.

11. Based on inquiries from the Budget Analyst's Office regarding whether the proposed \$22,477,779 General Fund supplemental appropriation represents the final costs associated with the City Hall project, Mr. Matthew Hymel of the Mayor's Office reports that he cannot accurately estimate the costs to relocate various City departments back to City Hall at this time. Such costs may include such items as fixtures and furniture. According to Mr. Hymel, the Mayor's Office is currently working with various City departments to determine what their costs will be to relocate back to City Hall and such costs and the funding sources will be included in the FY 1998-99 budget.

12. On February 13, 1998, there was a fire at City Hall which damaged the outer skin of City Hall's Dome. According to Mr. Irons, DPW has received documents from the City Hall contractor accepting responsibility for all of the damage resulting from the fire and the contractor's insurance will cover the costs of the additional repairs. Therefore, Mr. Irons reports that no additional City funds would be used to cover any costs associated with the fire at City Hall. Furthermore, Mr. Irons indicates that the fire

will not result in any delays to the work to be completed at City Hall.

13. In summary, the proposed supplemental appropriation in the amount of \$22,477,779 of General Fund revenues would be used to fund the completion of the non-seismic improvements for City Hall. The total estimated cost to complete City Hall's seismic and non-seismic improvements is \$292,727,515. However, to date, the Department of Public Works has only received a total of \$270,249,736, as outlined in Attachment 1, creating a shortfall of \$22,477,779, which is now proposed for funding through the City's General Fund.

In December of 1997, the Board of Supervisors approved a \$25,192,702 supplemental appropriation for City Hall, at which time DPW reported that there was a remaining shortfall of \$22,477,779 to complete the City Hall project. Mr. Irons reported to the Board of Supervisors, as shown in Attachment 2, that if DPW was not successful in securing at least \$22 million of Federal Hazard Mitigation grant funds by February 1, 1998, Mr. Irons would submit a prioritized list of items of the remaining work to be completed at City Hall. Mr. Irons stated that "the Mayor and the Board of Supervisors can then select a design direction in concert with a review of available General Fund monies". However, as of the writing of this report, no such list has been submitted to the Board of Supervisors.

As reflected in Attachment 3, Mr. Irons states that DPW did not return to the Board of Supervisors with the prioritized list because DPW was awaiting a decision from FEMA regarding the Federal Hazard Mitigation grant application and anticipated full funding of the City's application. As a result of not notifying the Board of Supervisors by the February 1, 1998 deadline, Mr. Irons states in his letter, which is included as Attachment 3, "While it is true that the options for the elimination of work on February 1st of this year were better than they are now, it is possible to reduce the scope of work, but these reductions would result in a partially occupiable

Memo to Finance Committee
May 6, 1998 Finance Committee Meeting

building. . . In my view, elimination of the work as designed and contracted at this point would seriously compromise the success of this project."

DPW submitted a grant to FEMA, through the State OES on January 8, 1998 for Federal Hazard Mitigation funds of \$48 million. The State OES submitted the City's application to FEMA on March 9, 1998. Mr. Irons indicates that he does not know (1) when FEMA will make a decision regarding the City's pending grant application, (2) whether or not the City will be successful in receiving grant funds from FEMA, and (3) if the City were successful in being awarded FEMA grant funds, how much grant funds the City would actually receive. Mr. Irons indicates that he hopes that the proposed request for supplemental appropriation of funds from the City's General Fund is only a loan of City monies, pending the receipt of the Federal Hazard Mitigation grant funds from FEMA.

To date, of the total \$270,249,736 appropriated for the City Hall project, DPW has expended a total of \$207,989,127, has encumbered a total of \$269,946,322, including approximately \$12 million which have not yet been approved by the Controller's Office.

Prior to the renovations, a total of 1,302 City Department employees were located in City Hall. The current plans provide that a total of 1,071 employees be returned to City Hall, resulting in 231 or 17.7 percent fewer employees housed in City Hall. According to Mr. Irons, this reduction is due to ADA, fire safety, new services such as childcare, security and mechanical, electrical and control rooms.

Mr. Matthew Hymel of the Mayor's Office reports that he cannot accurately estimate the costs to relocate various City departments back to City Hall at this time. The Mayor's Office is currently working with various City departments to determine such costs and the available funding sources and this information will be included in the FY 1998-99 budget.

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BUDGET ANALYST

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If the proposed supplemental is not approved, Mr. Irons indicates that the City Hall project cannot continue and a total of approximately \$1,245,000 per month of additional costs will be incurred. If the proposed supplemental appropriation is approved, the City Hall project can continue on schedule and will be completed by January 2, 1999.

Recommendation: Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

San Francisco CITY HALL



Seismic Retrofit Project

Building Improvement Project

□ 2288U

1049H ■

CITY HALL PROJECT FUNDING SOURCES

FEMA	\$78,999,999	
OES	\$26,333,333	
		\$105,333,332
1990 ESP-2 Bond	\$84,036,458	
1990 ESP-2 Interest	\$12,000,000	
		\$96,036,458
1995 Non-Seismic Bond	\$63,590,000	
1995 Non-Seismic Bond Interest	\$4,892,702	
		\$68,482,702
General Fund	\$97,000	
Energy Conservation From Hetch-Hetchy	\$26,493	
FEMA Administration	273,751	
		\$397,244
Total Project Sources		\$270,249,736
This Supplemental Request		\$22,477,779
Total Project Cost		\$292,727,515

San Francisco
CITY HALL

Seismic Retrofit Project

Building Improvement Project

□ 2288U

10/21/97

December 11, 1997

Revised

Via Fax: 554-6158

Mr. Matthew Hymel, Director
Mayor's Office of Budget
401 Van Ness Avenue, Room 304
San Francisco, CA 94102

Dear Mr. Hymel:

In confirmation of our discussions this morning, I will convey to the Board of Supervisors through the Budget Analyst the following decision regarding the construction of City Hall should financing beyond this \$25.19 million dollar Supplemental Appropriation not be available from the anticipated Federal and State sources:

After appropriation of this \$25.19 million, I will proceed with construction as presently designed consistent with all previous directions I have received. Should anticipated Federal/State funding of at least \$22 million dollars not be clearly available by February 1, 1998, I will submit a prioritized list of items of work. The Mayor and Board of Supervisors can then select a design direction in concert with a review of available general fund monies.

Please respond with your comments at your earliest convenience. I can be reached at the office at 863-2639 or 207-6316 pager or 297-8742 cell phone. My fax number is 863-2712.

Respectfully,

A handwritten signature in dark ink, appearing to read 'Anthony E. Irons'.

Anthony E. Irons
Project Manager

Tlyc

MHS:mdf 1/16/98

A San Francisco Department of Public Works Project
Managed by the Bureau of Construction Management & Turner Construction Company
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San Francisco
CITY HALL

Seismic Retrofit Project

Building Improvement Project

□ 2288U

1049H □

April 29, 1998

Mr. Harvey Rose
Budget Analyst for the Board of Supervisors
1390 Market Street, Suite 1025
San Francisco, CA 94102

Attention: Debra Newman

Dear Mr. Rose:

In your report to the Finance Committee dated 12/17/97 concerning the \$25,192,702 Supplemental Appropriation for the City Hall project, comment # 5 states that "...if the Federal/State funding of at least \$22 million is not available by February 1st, Mr. Irons will submit a prioritized list of items of the remaining work." The Department of Public Works did not return to the Board of Supervisors with that prioritized list for the following reasons.

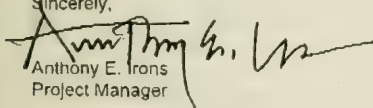
The Hazard Mitigation Grant Application was submitted through the State to the Federal Emergency Management Agency (FEMA). The State requested and received from FEMA an extension of the deadline for submittal of applications from February 9 to March 9, 1998. It was not until that time that the State forwarded the City's application to the Federal government. The Federal government, specifically FEMA, has been reviewing our application. We are hopeful and anticipate FEMA will fully fund our application. FEMA has not indicated when they will make their decision.

On or about April 10, the Department of Public Works decided that, since the Federal government had not acted and there were indications that their process may in fact take longer than anticipated to review and award grant monies, this Supplemental Appropriation should go forward to supply bridge financing.

While it is true that the options for the elimination of work on February 1st of this year were better than they are now, it is possible to reduce the scope of work, but these reductions would result in a partially occupiable building. The award of contracts and the construction process have progressed to the point that most material items have been purchased and multiple inter-related contracts have been negotiated for all remaining work. Elimination of materials or contract scope will net the City at most fifty cents on the dollar. Some of these scope reductions might be: all remaining work on the fourth floor, painting of the interior, cleaning of the stone, etc.

This project began eight years ago. We are within eight months of completion. In my view, elimination of the work as designed and contracted at this point would seriously compromise the success of this project.

Sincerely,



Anthony E. Irons
Project Manager

AE:yc

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A San Francisco Department of Public Works Project

Managed by the Bureau of Construction Management & Turner Construction Company
100 Grove Street, San Francisco, CA 94102 ☎ (415) 863-0273 • Fax (415) 863-2712

Negative Impacts If Not Approved

1. We will have to extensively redesign the project at an additional cost and we will not meet the project completion date of 12/31/98.
2. The construction contractors will charge the project approximately \$575,000 per month in extended overhead costs to remain on the project beyond the planned project completion date.
3. It will cost the project approximately \$430,000 per month to fund City staff and construction management consultants to remain on the project past the completion date.
4. The City will have to pay approximately \$240,000 per month in lease extensions for departments intended to move into City Hall upon completion.
5. If we have to significantly reduce the project scope, we will not be able to complete the original bond program objectives.

Contact Person: DPW: Project Manager, Tony Irons: 863-2639

III.

Prior			Proposed		
DEPARTMENT/DIVISION			DEPARTMENT/DIVISION		
Occ.	Sq Ft		Occ.	Sq Ft	
33 CAO		6,210	39 ADMINISTRATIVE SERVICES		8,921
Administration	4,040		Administration	6,731	
Building Services	0		Building Services (Incl File Storage)	1,405	
Grants for the Arts	650		Grants for the Arts	785	
Waterfront/EIPSC/Special Projects	1,520		Waterfront/EIPSC/Special Projects	0	
10 ASSESSMENT/APPEALS STAFF	1,270	1,270	10 ASSESSMENT/APPEALS STAFF	1,483	1,483
151 ASSES/RECORD/CNTY CLRK	23,100	23,100	102 ASSES/RECORD/CNTY CLRK	26,195	26,195
65 BOARD OF SUPERVISORS		7,320	109 BOARD OF SUPERVISORS		19,460
Clerk	2,780		Clerk	5,376	
Legislative Analysts	0		Legislative Analysts	615	
Members/Aides	4,540		Members/Aides	13,124	
Youth Commission	0		Youth Commission	345	
45 CIVIL SERVICE /HRD	13,010	13,010	0 CIVIL SERVICE /HRD	0	0
64 CITY ATTORNEY	15,610	15,610	108 CITY ATTORNEY	27,944	27,944
90 CONTROLLER	20,810	20,810	106 CONTROLLER	21,610	21,610
2 Convention Facilities	290	290	0 Convention Facilities	0	0
7 DET	4,840	4,840	4 DET	400	400
128 DPW		34,003	53 DPW		20,508
Director (Including Claims)	2,428		Director	4,486	
OFFMA	8,885		OFFMA	0	
Street Use and Mapping	5,690		Street Use and Mapping	0	
Building Engineering/Custodial Staff	3,240		Building Engineering/Custodial Staff	6,046	
Building Engineering/Custodial Support	9,920		Building Engineering/Custodial Support	9,976	
Test Lab	3,840		Test Lab	0	
79 ELECTIONS	14,950	14,950	132 ELECTIONS	12,360	12,360
68 MAYOR'S OFFICE		12,350	125 MAYOR'S OFFICE		22,907
Administration (Inc. Bud. & Fin./Press)	6,330		Administration (Same Building)	11,178	
Assistance/Neighborhood Outreach	2,080		Assistance/Neighborhood Outreach	3,168	
Children, Youth & Family/Youth Works	0		Children, Youth & Family/Youth Works	1,137	
Criminal Justice	2,490		Criminal Justice	1,560	
Economic Development (Comm & Trade)	470		Economic Development	4,644	
Film & Video	980		Film & Video	270	
Vehicle	0		Vehicle	950	
5 PERMIT APPEALS	810	810	0 PERMIT APPEALS	0	0
6 PUC	2,620	2,620	0 PUC	0	0
35 PURCHASER	5,830	5,830	39 PURCHASER	7,208	7,208
20 REPRODUCTION & MAIL	10,640	10,640	0 REPRODUCTION & MAIL	0	0
42 SHERIFF		5,580	57 SHERIFF		11,613
Administration	2,430		Administration	5,508	
Civil	3,080		Civil	4,825	
Building Security	70		Building Security	1,280	
113 TREASURER/TAX COLLECTOR	24,980	24,980	117 TREASURER/TAX COLLECTOR	27,692	27,692
0 COMMON BREAK/CONF./COPY	0	0	0 COMMON BREAK/CONF./COPY	9,346	9,346
963 SUB TOTAL	204,223	204,223	1001 SUB TOTAL	217,647	217,647
295 COURTS	82,000	82,000	0 COURTS	0	0
15 ISD & NCC	12,680	12,680	0 ISD & NCC	0	0
9 LAW LIBRARY	7,965	7,965	0 LAW LIBRARY	0	0
0 Attic	9,500	9,500	0 Attic	0	0
3 Cafe	1,330	1,330	3 Cafe	3,000	3,000
4 Post Office	610	610	3 Post Office/Inter-office mail	1,092	1,092
6 Press Space	1,180	1,180	6 Press Space	1,009	1,009
6 Title Companies	580	580	0 Title Companies	0	0
1 Transit Center	50	50	0 Transit Center	0	0
0 Hearing Rooms (PUC & Assmt Appls)	7,619	7,619	0 Hearing Rooms (4)	8,124	8,124
0 Chambers & Committee Room	4,849	4,849	0 Chambers & Committee Room	5,186	5,186
Bicycle Storage	0	0	0 Bicycle Storage	852	852
Childcare	0	0	49 Childcare	3,900	3,900
Employee Showers	0	0	0 Employee Showers	380	380
Official Recep/Board Room	0	0	0 Official Recep/Board Room	1,901	1,901
AV/Broadcast Control	0	0	0 AV/Broadcast Control	3,300	3,300
Press Conference Room	0	0	6 Press Conference Room	1,670	1,670
Public Space/Circulation	124,185	124,185	0 Public Space/Circulation	162,413	162,413
Public Toilets/Telephones	4,512	4,512	0 Public Toilets/Telephones	9,148	9,148
Mech./Elect./Telecom	18,093	18,093	0 Mech./Elect./Telecom	42,562	42,562
Shear Walls	0	0	0 Shear Walls	6,800	6,800
Walls (Exterior & Corridor)	34,624	34,624	0 Walls (Exterior & Corridor)	42,619	42,619
MIS Control	0	0	0 Mis Control	1,550	1,550
Fire Control Room	0	0	3 Fire Control Room	847	847
339 SUB TOTAL	309,777	309,777	70 SUB TOTAL	296,353	296,353
1,302 GRAND TOTAL	514,000	514,000	1,071 GRAND TOTAL	514,000	514,000

Children Youth & Family not included.

Item 12 - File 98-561

Department: Department of Real Estate (DRE)
Department of Parking and Traffic

Item: Resolution authorizing the acquisition of a 4,315 square foot non-exclusive easement for \$27,000 from the Peninsula Corridor Joint Powers Board (JPB) for street widening purposes along the South side of Cesar Chavez Street on a portion of Assessor Parcel No. 4349-4 (block 4349, lot 4) and adopting findings pursuant to City Planning Code Section 101.1.

Easement Amount: \$27,000

Location: The parcel of land affected by the proposed easement is located along the South side of Cesar Chavez Street on a portion of Assessor Parcel No. 4349-4 (see Attachment).

Source of Funds: State Flexible Congestion Relief Program Funds

Description: In March of 1998, the Board of Supervisors approved a resolution authorizing the Executive Director of the Department of Parking and Traffic (DPT) to retroactively apply for, accept and expend up to \$5,111,500 in State Flexible Congestion Relief Program Funds and Federal Highway Administration Funds for: (1) the Right-of-way Acquisition and construction of the Cesar Chavez Street Widening Project, from Mississippi Street to Third Street; and (2) the Bayshore Boulevard Weaving Project at Jerrold Avenue (File No. 98-287). According to Mr. Albert Wong of DPT, at the intersections of Cesar Chavez Street and Bayshore Boulevard, there is a "weaving condition" in that several streets merge together then split off in different directions and there are no traffic controls such as signage and pavement markings to guide motorists.

As part of that previously approved resolution (File No. 98-287), the City is required to acquire an easement and enter into a Grant of Easement and Agreement with the Peninsula Corridor Joint Powers Board (JPB) for JPB-owned land along the South side of Cesar Chavez Street that runs under the train track bridge. The JPB consists of representatives from the Municipal Railway (MUNI), the San Mateo County

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Transit District, and the Santa Clara County Transit District. According to Mr. Wong, the construction work will include a new sidewalk and a bike path on that JPB-owned land.

The proposed resolution (File No. 98-561) would authorize the Department of Real Estate (DRE), on behalf of the DPT, to acquire a 4,315 square foot non-exclusive easement at a cost of \$27,000 from the JPB for street widening purposes along the South side of Cesar Chavez Street on a portion of Assessor Parcel No. 4349-4 and adopting findings pursuant to City Planning Code Section 101.1.

Comments:

1. The City would pay JPB a total of \$37,000 of previously allocated State Flexible Congestion Relief Program Funds (File No. 98-287) for: (1) the purchase price for the subject easement (\$27,000); and (2) as required by the Grant of Easement and Agreement, the costs for JPB's preparation and review of the construction plans, as well as inspection and related costs (\$10,000).

2. Mr. John Panieri of the Department of Real Estate reports that the cost of the easement in the amount of \$27,000, for the JBP-owned property, is based on the DRE's estimate of the fair market value of the property.

3. The execution of the Grant of Easement and Agreement will be effective on either the date that the proposed resolution is approved by the Board of Supervisors and the Mayor or the date when the agreement is signed by the City and the JBP, whichever is later.

4. The Grant of Easement and Agreement provides that the City shall indemnify and hold harmless JPB from any losses caused by the City's use of the easement. Mr. Michael Cohen of the City Attorney's Office advises that the indemnification and hold harmless provisions in the Grant of Easement and Agreement are not unreasonable and are similar to the indemnification and hold harmless provisions contained in other agreements which the City enters into for the use of property.

5. The Department of City Planning has found that the proposed acquisition of the easement from the JPB is in

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conformity with the City's General Plan and consistent with the Eight Priority Policies of Planning Code Section 101.1

Recommendation: Approval of the proposed resolution is a policy matter for the Board of Supervisors.

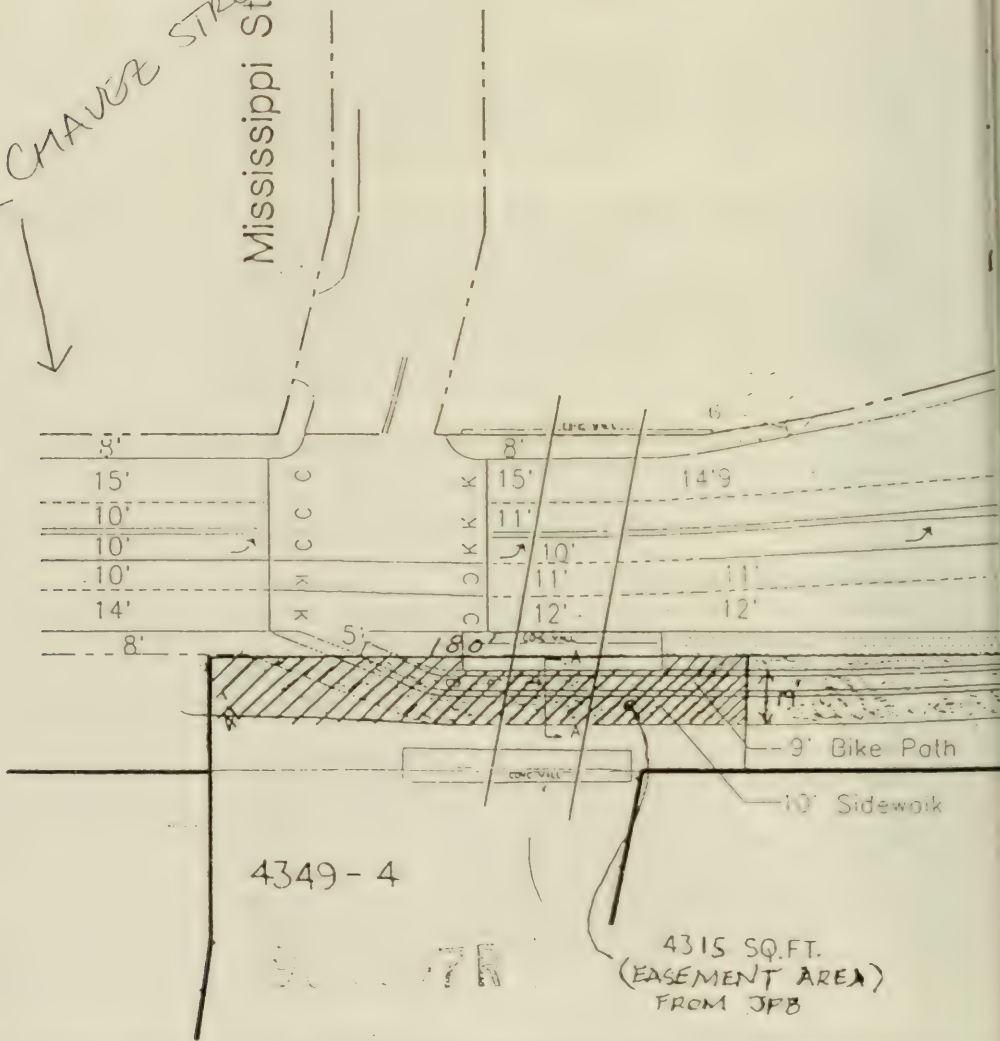
Proposed

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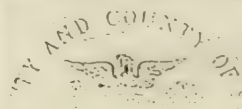
JPB Bike

2th and South Sidewalk Under Railroad Bridge. WB Bikes on WB Roadway

CESAR CHAVEZ STREET
 ↓
 Mississippi Street



REFERENCE INFORMATION
 FILE NO. OF SURVEYS



DEPARTMENT OF PARKING

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Item 13 – File 98-582

Department: Department of Real Estate (DRE)

Item: Resolution authorizing the renewal of an existing lease of real property at 25 Van Ness Avenue with the New Conservatory Theatre Center.

Location: 25 Van Ness Avenue, lower level (the floor below ground floor)

Purpose of Lease: To provide performance, classroom, and administrative space for the New Conservatory Theatre Center.

Lessor: City and County of San Francisco

Lessee: New Conservatory Theatre Center

No. of Sq. Ft. and Cost Per Month: 12,793 net rentable square feet for \$14,072, or \$1.10 per square foot per month, net of janitorial service.

Annual Cost: \$168,864

Increase Over Previous Lease: NCTC was an existing tenant of 25 Van Ness Avenue when the City acquired the building in 1993. NCTC is currently paying the City \$13,432 per month, or \$1.05 per square foot per month, under a lease which expires May 14, 1998. The proposed rate of \$14,072 represents an increase of 4.8 percent.

Utilities and Janitor Provided by Lessor: Janitorial services are the responsibility of the lessee. All costs for utilities are covered by the City.

Term of Lease: May 15, 1998 through May 14, 2003 (five years)

Right of Renewal: The New Conservatory Theatre Center shall have the right to extend the lease for two additional 3-year periods at a rate based on what the City is charging to other lower level tenants minus \$0.05 per square foot. According to Mr. Mark Zuffo of the DRE, the \$0.05 per square foot reduction from what other lower level tenants pay is because the New Conservatory Theatre Center

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pays for their own janitorial costs, while other tenants in the subject space pay the City to provide janitorial services, which costs approximately \$0.05 per square foot per month.

Description:

The proposed resolution would authorize the Department of Real Estate to renew a lease with the New Conservatory Theatre Center (NCTC) at 25 Van Ness Avenue. The subject space is 12,793 net rentable square feet on the lower level (i.e., below ground level) of 25 Van Ness Avenue, a City-owned facility, which includes three theatres and two studios as well as administrative space. NCTC is a nonprofit that offers original and classic theatre productions, children's theatre classes, educational programs that tour public schools and rental of theatre space to other theatre companies.

Comments:

1. The NCTC will be responsible for prorata share of increases in operating costs over those of the 1998 base year.
2. According to Mr. Zuffo, the proposed rental rate of \$1.10 per square foot per month is comparable to the rental rate paid by City Departments currently occupying space on the lower level, and is the estimated fair market value for the subject space.

Recommendation:

Approve the proposed resolution.

Item 14 - File 98-619

Department: Department of Real Estate (DRE)

Item: Resolution authorizing the sale of surplus City-owned property and adopting findings pursuant to City Planning Code Section 101.1.

Description: The Director of Public Works and the Director of Property recommend selling City-owned property, consisting of approximately 62,800 square feet of surplus vacant land, owned by the City. The subject property is described as Assessor's block 3807, Lot 12, which is near the intersection of Channel and 7th Streets, adjacent to the proposed Mission Bay development project. Such property, which is under the jurisdiction of the DPW, is zoned M2, an industrial classification.

According to the Planning Department, sale of the subject property is in conformity with the City's General Plan and consistent with the Eight Priority Policies of City Planning Section 101.1.

Approval of the proposed resolution would allow the Director of Property to obtain bids at a public auction for the sale of the subject property to the high bidder.

The proposed resolution would also authorize all actions heretofore taken by any City official in connection with the sale of the subject property, such as preparation for the public auction and determination of the minimum bid.

Comments:

1. Currently, the property is being leased on a month-to-month holdover. The term of the lease began in FY 1992-93, and the rent was set at \$9,450 monthly, or \$113,400 annually, with a five percent adjustment annually. Effective March 1, 1998, the monthly rent was adjusted to \$12,061, or \$144,732 annually.
2. Pursuant to Administrative Code Section 23.1-1, which authorizes the sale of real property on the recommendation of the department responsible for the administration of such property, DPW recommends the sale of the subject property because, according to Mr.

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Gerald Romani of the DRE, the privately owned company, Macor, Inc, a subsidiary of Nor-Cal, which has been leasing the property for at least the last ten years, is interested in acquiring the subject property. As noted above, the subject property is located adjacent to the proposed Mission Bay development project. As such, according to Mr. Romani, the sale of the property at public auction may attract other interested buyers.

3 According to Mr. Steve Hoppe at the DRE, pursuant to the Administrative Code, the minimum bid for the subject property will be set at \$3,768,000, or \$60 per square foot, which is at least 90 percent of the fair market value for the property.

4. The estimated proceeds from the sale of the property will be at least \$3,768,000, the minimum bid. If the City were to accept a bid of \$3,768,000 and invest the money for the next 25 years at an interest rate of 6 percent, the future value of the revenue from selling the subject property would be \$16,981,342, which is \$473,300 more than the \$16,508,042 future value of the revenue from leasing the property.

5. According to Robert Carlson of DPW, the sale proceeds from the surplus property will be allocated to a DPW Realty Trust Fund for capital improvements, subject to appropriation approval by the Board of Supervisors.

6. Approval of this proposed resolution would authorize the Director of Property to obtain bids for the sale of subject property. Final acceptance of the high bid for the sale of the property would be subject to separate legislative approval by the Board of Supervisors.

Recommendation: Approve the proposed resolution.

Item 15 – File 98-620

- Department:** Department of Real Estate (DRE)
Public Utilities Commission (PUC)
- Item:** Resolution authorizing the sale of surplus City-owned property and confirming actions of City officials.
- Description:** The PUC has declared that City-owned property in the City of Oakdale in Stanislaus County, consisting of approximately 60,000 square feet, described as Block 16, Lots 1 through 24, is surplus to its needs. The subject property contains one house, two warehouse buildings and one small office building, all of which are vacant. Such property, which is under the jurisdiction of the PUC, is zoned R3 for residential use (the City's use is currently non-conforming). Approval of this proposed resolution would authorize the Director of Property to obtain bids at public auction for the sale of the subject property to the highest bidder.
- Comments:**
1. According to Mr. Steve Hoppe at the DRE, pursuant to the Administrative Code, the minimum bid would be set at \$350,000, or \$5.833 per square foot, which is at least 90 percent of the fair market value for the property.
 2. According to Mr. Hoppe, the proceeds from the surplus property will accrue to the PUC's Real Estate Trust Fund to be used for other capital improvements, subject to appropriation approval by the Board of Supervisors.
 3. Approval of the proposed resolution would authorize the Director of Property to obtain bids for the sale of the subject property. However, final acceptance of the high bid for the sale of the property would be subject to separate legislative approval by the Board of Supervisors.
- Recommendation:** Approve the proposed resolution.

Memo to Finance Committee
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Item 16 – File 98-621

Department: Fire Department (SFFD)
Department of Real Estate (DRE)

Item: Resolution authorizing a Special Use Permit at Building 1216 in the Presidio of San Francisco, for use by the Fire Department, EMS Division, retroactive to March 1, 1998.

Location: Building 1216 in the Presidio

Purpose of Permit: Temporary space for SFFP Emergency Medical Services (EMS) Division, which trains firefighters in EMS functions and administers the EMS program.

Permitter: National Park Service

Permittee: San Francisco Fire Department

No. of Sq. Ft. and Cost Per Month: 14,948 square feet at a cost of \$19,047 per month, or \$1.274 per square foot per month.

Annual Cost: \$228,564

Utilities and Refuse Collection Provided by Permittee: Utilities and refuse collection paid by the City, at a prorated share of \$1,921 per month, or approximately \$0.13 per square foot per month, or \$23,052 annually. Janitorial service is provided by EMS employees.

Increase Over Previous Permit: The SFFD EMS facility has been located in Building 1216 in the Presidio under a Special Use Permit with a term of June 1, 1995 through September 30, 1997, at a monthly cost of \$9,685, or approximately \$0.65 per square foot for 14,948 square feet, or \$116,216 annually, including utilities and refuse collection. According to Mr. Steve Legnitto of the DRE, since the permit expired, the SFFD has been occupying the subject space on a month-to-month holdover. The proposed Special Use Permit rate of \$228,564 annually, plus \$23,052 annually for utilities and refuse collection, is equivalent to an annual rate of \$251,616. The \$251,616, which includes utilities and refuse collection, is \$135,400 above the previous rate, or an increase of 116.5 percent.

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Term of Lease: The term of the lease will begin retroactively on March 1, 1998 and will expire on September 30, 1998 (seven months).

Right of Renewal: None

Source of Funds: According to Assistant Deputy Chief Lorrie Kalos of the SFFD, funds for the rent and monthly utilities costs are included in the Department's current FY 1997-98 budget and in the proposed FY 1998-99 budget.

Description: Approval of the subject resolution would authorize the SFFD to renew a Special Use Permit for Building 1216 in the Presidio from the National Park Service (NPS). The subject space would continue to be used to house the Emergency Medical Services (EMS) Division of the SFFD for the six month term retroactive to March 1, 1998 through September 30, 1998.

According to Mr. Steve Legnitto of the DRE, the subject temporary Special Use Permit is necessary for the SFFD to continue occupying the subject space. A Special Use Permit was issued in place of a long term lease because management of the Presidio is in transition. Currently, the Presidio is managed by the NPS, which is expected to turn over control to the Presidio Trust prior to the expiration of this subject Special Use Permit term. The Presidio Trust was established by the Federal government with the mandate to make the Presidio financially self-sufficient within 15 years. Mr. Legnitto notes that all Presidio permits and leases are restricted to short terms in order to insure that they are renegotiated with the Presidio Trust.

The Special Use Permit contains an indemnification and hold harmless clause in which the City would indemnify, defend and hold harmless the NPS and its agents from and against any and all claims, costs, and expenses, including, without limitation, reasonable attorneys' fees, incurred as a result of (a) the City's use of the premises, (b) any default by the City in the performance of any of its obligations under this lease, or (c) any negligent acts or omissions of the City or its agents, in or about the premises or the property; provided, however, the City shall not be obligated to indemnify the landlord or its

agents to the extent any claim arises out of the active negligence or willful misconduct of the Landlord or its Agents.

Comments:

1. Mr. Legnitto notes that the short term, seven month period of the Special Use Permit benefits the SFFD by providing the opportunity for the DRE to negotiate improved terms under a long term lease with the Presidio Trust, should the SFFD want to continue occupying the subject space.

Mr. Legnitto further advises, however, that a short term lease precludes either the landlord or the tenant from making expensive improvements that could be amortized over a long period. For example, the subject space is a two-story building with no elevator and does not fully comply with the Americans with Disabilities Act. The DRE anticipates that if, at the end of the six month term, the SFFD wants to remain in the Presidio, the DRE would negotiate that either the Presidio pay for the installation of an elevator or that the City would negotiate a favorable, long term lease rate and then would pay for the elevator installation.

2. According to Assistant Deputy Chief Kalos, the SFFD is currently considering other, more economical options for the EMS Division, including a possible bond measure that could, if approved by voters, provide financing to construct a new facility for the EMS Division in the Presidio, or combining the operations of the EMS Division with the other SFFD functions at Treasure Island.

3. According to Mr. Michael Cohen of the City Attorney's Office, the indemnification and hold harmless clauses in the Subject Use Permit are reasonable.

4. According to Mr. Legnitto, the reason the rent is being increased by 116.5 percent from the prior rent is because the NPS and the Presidio Trust have been mandated to charge the full market rate for the space at the Presidio, and there has been a total reassessment of all leases at the Presidio in light of the Presidio Trust takeover. Mr. Legnitto states that the proposed rent to be charged to the City represents fair market value.

Recommendation:

Approval of the proposed resolution is a policy matter for the Board of Supervisors.

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Item 17 - File 98-625

Department: Department of Human Resources (DHR)
Real Estate Department (DRE)

Item: Resolution authorizing the amendment of two existing leases of real property at 44 Gough Street for the Department of Human Resources.

Location: 44 Gough Street

Purpose of Leases: Office space for the Department of Human Resources' (DHR) Administration, Administrative Services, which include Management and Employee Development, Equal Employment Opportunity, Employee Relations, and Management Information Systems.

Lessor: Piazza Trading Company, Ltd.

Lessee: Department of Human Resources

Description: The proposed resolution would amend two existing leases at 44 Gough Street by (a) extending the terms of the leases, which expire on June 30, 1998, for the period from July 1, 1998 through June 30, 2003 (five years) and (b) by increasing the monthly rent 15 percent from \$1.00 per square foot to \$1.15 as of July 1, 1998 and an additional 13 percent from \$1.15 per square foot to \$1.30 as of July 1, 2000. The proposed amendments would not add any additional space to the total of 34,955 square feet presently being leased by DHR. The two existing leases provide for 27,000 square feet and 7,955 square feet, or a total of 34,955 square feet.

According to Mr. Steve Legnitto of the Real Estate Department (DRE), DHR is the sole tenant at 44 Gough Street. DHR first occupied 27,000 square feet at 44 Gough Street in August of 1990. As part of the City Hall relocation, the Department occupied an additional 7,955 square feet in February of 1995 for a total of 34,955 square feet.

In accordance with the proposed resolution, the lessor shall provide carpeting and painting to refurbish the subject space at an estimated cost of up to \$50,000. Subject to prior

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approval by the DRE and DHR and subject to appropriation approval by the Board of Supervisors, the City can spend an additional \$25,500 for such improvements.

**No. of Sq. Ft. and
Cost Per Month:**

DHR would continue to lease a total of 34,955 square feet at 44 Gough Street through two separate lease agreements which cover 27,000 and 7,955 square feet respectively (See Comment No. 1). Under both leases, the City would pay \$1.15 per sq. ft. per month for the period of July 1, 1998 through June 30, 2000, or \$40,198.25 per month. The rent per sq. ft. per month will increase to \$1.30 for the period of July 1, 2000 through June 30, 2003, or \$45,442.50 per month.

Annual Rental Cost: \$482,379 for the period of July 1, 1998 through June 30, 2000. \$545,298 for the period of July 1, 2000 through June 30, 2003.

**Percentage Increase
Over 1998-99:**

The current monthly rent is \$34,955 or \$419,460 annually or \$1.00 per square foot for 34,995 square feet. The proposed annual rent of \$482,379, or \$1.15 per square foot, for the period of July 1, 1998 through June 30, 2000 represents an annual increase of \$62,919 or 15 percent. The proposed annual rent of \$545,298, or \$1.30 per square foot, for the period of July 1, 2000 through June 30, 2003 represents an additional annual increase of \$62,919 or 13 percent.

Utilities and

Janitorial Services: The City would continue to be responsible for paying for electricity, which would add approximately \$0.62 per square foot annually, or a total of \$21,600 in addition to the base rent. The lessor would provide janitorial services.

Term of Lease: July 1, 1998 through June 30, 2003 (five years).

Right of Renewal: The City shall have an option to extend the lease for an additional 5-year term at 95 percent of the then fair market value.

Source of Funds: DHR's FY 1998-99 budget and future budgets.

Comments:

1. According to Mr. Legnitto, the proposed rental arrangements involve two leases rather than one lease to enable the lessor make separate decisions about future tenancy in the two rental spaces at 44 Gough Street.
2. According to Mr. Legnitto, the proposed rental costs to the City represent fair market value.

Recommendation: Approve the proposed resolution.

Item 18 – File 98-521

Department: Residential Rent Stabilization and Arbitration Board
(Rent Board)

Item: Ordinance amending Chapter 37 of the San Francisco Administrative Code, Sections 37.2, 37.3 and 37.8, to permit landlords to passthrough to residential tenants an amount based on any increase in Property Taxes imposed as a result of the repayment of General Obligation Bonds approved by the voters between November of 1996 and November of 1998.

Description: The following analysis is based on an Amendment of the Whole.

The proposed ordinance would allow landlords to impose on residential tenants an annual passthrough amount based on the increase in Property Taxes resulting from the repayment of General Obligation Bonds of the City and County of San Francisco which are approved by voters between November of 1996 and November of 1998. Landlords of commercial buildings are currently authorized to passthrough all such increases in Property Taxes to their commercial tenants.

The amount of such a passthrough would be determined as follows:

- (1) The Controller and the Board of Supervisors would determine the percentage of Property Tax rate, if any, in each tax year attributable to the repayment of General Obligation bonds approved by the voters between November of 1996 and November of 1998.
- (2) This percentage would be multiplied by the total amount of the net taxable value for the applicable tax year. The result is the dollar amount of Property Taxes for a particular property attributable to General Obligation bonds approved by voters between November 1996 and November of 1998 and repaid within such year.
- (3) The dollar amount calculated above would be divided by the total number of units in each residential property (see Comment No. 3). That figure would be divided by twelve months, to determine the monthly per unit

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Property Tax cost of the repayment of General Obligation Bonds approved by voters between November of 1996 and November of 1998.

The landlord may then passthrough to the tenants of each unit in a particular property the dollar amount calculated as described above. This proposed passthrough may be imposed only on the annual anniversary date of each tenant's occupancy of the property. This proposed passthrough would not become a part of a tenant's base rent. Each passthrough amount allowed pursuant to this legislation would be passed through annually, and replaced by a new passthrough amount the next year which would be calculated using the above formula, and would vary depending on the actual Property Tax increases that result from the repayment of the subject bonds in the current year. A landlord may impose the subject passthrough for a particular year only with respect to those tenants who were tenants of a particular property on November 1 of the applicable tax year.

Landlords must provide tenants with at least 30 days notice of the passthrough permitted under this legislation, along with a copy of a form provided by the Rent Board which would explain how to calculate the permitted passthrough amount. If a tenant alleges that a landlord has imposed a charge which exceeds the passthrough limitations imposed in the subject legislation, then such a tenant may petition for a hearing with the Rent Board within one year of the effective date of the passthrough.

Comments:

1. According to Mr. John Madden of the Controller's Office, to date, \$288 million in General Obligation bond measures have been authorized by the voters since November of 1996. Additionally, a General Obligation bond measure totaling \$89.9 million is scheduled for the June ballot. If the June bond measure is approved by voters, the total amount of bond measures would be \$377,900,000.

As shown in Attachment 1 to this report, prepared by the Controller's Office for illustration purposes only, given the total issuance of \$377,900,000 in General Obligation bonds, on a property with 12 units and an assessed value

of \$1 million, the Property Tax increase resulting from the repayment of the total bond measures would be approximately \$599 annually, or a passthrough amount of approximately \$50 per unit annually.

2. The proposed ordinance allows for annual passthrough amounts based on the increase in Property Taxes resulting from the repayment of General Obligation Bonds of the City and County of San Francisco which are approved by voters between November of 1996 and November of 1998. Of the total \$288 million in the subject bond measures authorized to date, \$20 million have been issued and are in the process of being repaid. Attachment 2, prepared by the Controller's Office for illustration purposes only, shows the annual Property Tax effect and the passthrough amount that would result from the proposed ordinance on various rental buildings. On a three-unit building assessed at \$61,042, the annual passthrough amount per unit would be \$0.75. On an 84 unit building assessed at \$5,196,841, the annual passthrough amount per unit would be \$2.29.

3. The proposed legislation makes no exceptions for particular units, such as guest units or owner-occupied units. The passthrough amount is divided by the total number of units in each residential property. If, as in the example above, a 12 unit building with an assessed value of \$1 million has 11 tenants and one unit is reserved for guests, the per unit passthrough amount would remain approximately \$50 annually. According to Mr. Grubb, the landlord would be responsible for that passthrough amount applicable to the guest unit.

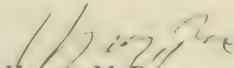
4. As noted above, passthroughs are allowed only to those tenants in occupancy on November 1 of the applicable tax year. If a passthrough amount cannot be passed through to a tenant because a unit is vacant on November 1 of the applicable tax year, Mr. Grubb reports that the landlord would be responsible for the passthrough amount applicable to the vacant unit.

5. Additional General Obligation bond measures that could appear on the November ballot are currently unknown.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
May 6, 1998 Finance Committee Meeting

Recommendation: Approval of the proposed ordinance is a policy matter for the Board of Supervisors.


Harvey M. Rose

cc: Supervisor Teng
President Kaufman
Supervisor Newsom
Supervisor Ammiano
Supervisor Bierman
Supervisor Brown
Supervisor Katz
Supervisor Leno
Supervisor Medina
Supervisor Yaki
Supervisor Yee
Clerk of the Board
Controller
Gail Feldman
Matthew Hymel
Stephen Kawa
Ted Lakey

Summary of Bonds Approved by Voters in 1996, 1997, and on Current Ballot

Bond	Bond Amount	Avg Annual Debt Svc Requirement	Tax Effect per \$100 A.V.*	Example (see assumptions below)		
				Avg Annual Debt Svc Requirement	Annual Tax Effect on \$1 million Property Each Unit	Monthly Tax Effect on Each Unit
1996 Affordable Housing	100,000,000	9,482,500	@ \$ 0.0174	\$ 174.18	\$ 14.52	\$ 1.21
1997 School District	140,000,000	11,869,915	& \$ 0.0219	\$ 218.51	\$ 18.21	\$ 1.52
1997 Zoo Facilities	48,000,000	4,069,685	& \$ 0.0075	\$ 74.92	\$ 6.24	\$ 0.52
1998 DeYoung Museum	89,900,000	7,162,555	& \$ 0.0132	\$ 131.85	\$ 10.99	\$ 0.92
	377,900,000	Total tax Effect	\$ 0.0589	\$ 599.47	\$ 49.96	\$ 4.18

Note: The above schedule is for illustration purpose only. See the following tickmarks for further explanation.

- * - Based on the 97/98 certified secured assessed value of \$54,322,284,332. The tax effect varies depending on the certified secured assessed value of the year affected.
- @ - Only \$20 million of the bond are sold. The annual debt service requirement and the tax effect may be different depending on when the remaining bond is sold.
- & - None of the bond is sold. The annual debt service requirement and the tax effect may be different depending on when the bond is sold

Assumptions: (1) Property is not subject to Prop 13.

(2) No homeowner's exemption because it's not owner occupied.

(3) Total property value of \$1million with 12 apartment units.

Attachment |

4/16/98

Analysis of the Impact of the Affordable Housing Bond Passthrough on Property Owners and Tenants

Bond	Bond Amount	Avg Annual Debt Svc Requirement	Tax Effect per \$100 A.V.
1996 Affordable Housing	20,000,000	1,886,288 \$	0.0037

- Assume the 98/99 certified secured assessed value remains the same as the 97/98 certified secured assessed value.
The tax effect varies depending on the certified secured assessed value of the year affected.

Example of the Impact of the Affordable Housing Debt Service on Certain Property Owners & Tenants

Parcel Number	1998/99 Assessed Value (2)	Tax Effect per \$100 A.V.	Annual Tax Effect on Property Owner (1)	# of Rental Units	Annual Tax Effect on Each Rental Unit
334/17	112,844	0.0037 \$	4.18	11	\$ 0.38
322/6A	996,248	0.0037 \$	36.86	69	\$ 0.53
1240/3A	61,042	0.0037 \$	2.26	3	\$ 0.75
720/37	4,453,174	0.0037 \$	164.77	103	\$ 1.60
217/25	5,196,841	0.0037 \$	192.28	84 (7)	\$ 2.29

Assumptions:

- (1) No homeowner's exemption because it's not owner occupied.
- (2) The 1998/99 assessed value is increased by 2% from the 1997/98 assessed value.
- (3) Of the 84 rental units, only 71 are full units. The remaining 13 units are guest rooms.

Note: The above schedules are for illustration purpose only. The impact may vary if different assumptions are used.

Post-It® Fax Note	7671	Date	5/19/98	To	Tony & Mervin	From	Clifford Luma	Co. Dept		Phone #	554-7782	Fax #	554-7782
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25
3/98
MINUTES
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

REGULAR MEETING

DOCUMENTS DEPT.
MAY 14 1998
SAN FRANCISCO
PUBLIC LIBRARY

WEDNESDAY, MAY 13, 1998 - 1:00 P.M.

VETERANS BUILDING
401 VAN NESS AVENUE
ROOM 410

MEMBERS: SUPERVISORS MABEL TENG, BARBARA KAUFMAN, GAVIN NEWSOM

ABSENT: None

CLERK: JONI BLANCHARD

Meeting Commenced: 1:05 p.m.

REGULAR CALENDAR

1. File 98-0491. [Camp Mather Fees] Ordinance amending the San Francisco Park Code by adding Article 11, Sections 11.01 through 11.04 approving fees for Camp Mather. (Recreation and Park Department)

SPEAKERS: Harvey Rose, Budget Analyst; Ernie Prindle, Recreation & Park Dept. - support; Marilyn Levy - opposed; Jayne Altaffer - opposed; Jennifer Weeg - opposed; Betty Bortin - opposed.

ACTION: Hearing held. Amended on page 1, beginning on line 2 between "adding" and "approving" to replace "Article 11, Sections 11.01 through 11.04" with "Article 12, Sections 12.01 through 12.04"; amended on page 1, line 12 after "July 1," to replace "1996" with "1995"; amended on page 1, line 14 between "adding" and "reading" to replace "Article 11, Sections 11.01 to 11.04" with "Article 12, Sections 12.01 to 12.04"; amended on page 1, line 17 after "Sec." and before "Camp" to replace "11.01" with "12.01"; amended on page 2, line 4 to replace "\$231" with "\$120" and "\$45" with "\$24"; amended on page 2, line 5 to replace "\$303" with "\$157" and "\$60" with "\$32"; amended on page 2, line 16 to replace "\$275" with "\$158" and "\$52" with "\$31" and amended on page 2, line 17 to replace "\$369" with "\$211" and "\$67" with "\$40"; amended on page 2, line 21 after "Sec." and before "Camp" to replace "11.02" with "12.02"; amended on page 3, line 4 after "Sec." and before "Camp" to replace "11.03" with "12.03"; amended on page 3, line 22 after "Sec." and before "Camp" to replace "11.04" with "12.04". (See new title). Recommended as amended.

New Title: [Camp Mather Fees] Ordinance amending the San Francisco Park Code by adding Article 12, Sections 12.01 through 12.04 approving fees for Camp Mather. (Recreation and Park Department)

2. File 98-0722. [Estate of Zygmunt Arendt] Resolution authorizing the Public Administrator to act as the personal representative of the Mayor and Board of Supervisors for the purpose of probating the estate of Zygmunt Arendt and authorizing the Public Administrator to seek approval from the Probate Court for the appointment of the General Manager of the Department of Human Services to manage distribution of the estate under the oversight of the Mayor and Board of Supervisors. (Supervisor Kaufman)

SPEAKERS: Harvey Rose, Budget Analyst; Ricardo Hernandez - Public Administrator - support.

ACTION: Hearing held. Amendment of the Whole (with new title) adopted. (See new title). Recommended as amended.

New Title: [Estate of Zygmunt Arendt] Resolution authorizing the Public Administrator to act as the personal representative of the Mayor and Board of Supervisors for the purpose of probating the estate of Zygmunt Arendt and authorizing the Public Administrator to seek approval from the Probate Court for the appointment of the Executive Director of the Department of Human Services to manage distribution of the estate under the oversight of the Mayor and Board of Supervisors. (Supervisor Kaufman)

3. File 98-0690. [Equipment Lease Financing, 911 Center] Resolution approving the issuance of Lease Revenue Bonds (aggregate amount not to exceed \$60,000,000) of the City and County of San Francisco Finance Corporation; approving the form and authorizing the execution and delivery of an equipment lease between the City and County of San Francisco Finance Corporation (the "Corporation"), as lessor, and the City and County of San Francisco (the "City"), as lessee, relating to the equipment (including certain indemnification provisions therein); approving the form and authorizing the execution and delivery of an Indenture of Trust among the corporation, the City and the trustee; approving the form and authorizing the execution and delivery of a Continuing Disclosure Certificate relating to said Bonds; approving the circulation of an official statement relating to said Bonds; authorizing the payment of certain costs of issuance from the proceeds of such Bonds; ratifying previous actions taken in connection with the foregoing matters; adopting findings under the California Environmental Quality Act and findings pursuant to City Planning Code Section 101.1; and authorizing the taking of appropriate actions in connection therewith. (Mayor's Office of Finance and Legislative Affairs)

SPEAKERS: Harvey Rose, Budget Analyst; Monique Moyer, Director of Public Finance, Mayor's Office - support; Mike Martin, 911 Project Director, Mayor's Office - support.

ACTION: Hearing held. Recommended.

4. File 98-0140. [Appropriation, Department of Public Health] Ordinance appropriating \$1,500,000, Department of Public Health-Community Health Service, from Community Health Service Tobacco Settlement Revenue, to fund for health education, promotion and enforcement programs to discourage smoking among minors, and for the creation of two (2) new positions for FY 1997-98; companion to File 98-0141. (Mayor Willie L. Brown, Jr.)
(Consideration continued from 3/4/98)

SPEAKERS: None.

ACTION: Consideration continued to the Call of the Chair.

5. File 98-0141. [Annual Salary Ordinance, Dept. of Public Health] Ordinance amending Annual Salary Ordinance No. 307-97 (Annual Salary Ordinance, 1997-98), Department of Public Health, Community Health Service, reflecting the creation of 2.1 new positions; companion to File 98-0140. (Department of Human Resources)
(Consideration continued from 3/4/98)

SPEAKERS: None.

ACTION: Consideration continued to the Call of the Chair.

6. File 98-0686. [Appropriation, Public Utilities Commission] Ordinance appropriating \$630,779, Public Utilities Commission - Water Department, of San Francisco Water Department Operating Fund Balance, to fund with associated costs the implementation of safe drinking water and seismic reliability capital improvement programs (Propositions A and B) and creation of sixteen (16) positions for fiscal year 1997-98; companion measure to File 98-0687. (Controller)

SPEAKERS: Harvey Rose, Budget Analyst; Phil Arnold, Public Utilities Commission Finance Bureau.

ACTION: Hearing held. Amended on page 1, line 1 after "appropriating" and before "of" to replace "\$630,779" with "\$310,580"; amended on page 1, line 2 after "of" to replace "Sixteen (16)" with "Fifteen (15)"; amended on page 1, lines 12 and 18 to replace "\$630,779" with "\$310,580"; amended on page 1, lines 15 and 22, and on page 2, line 10 to replace "\$353,893" with "\$268,851"; amended on page 1, line 16 and page 2, lines 14 and 19 to replace "\$276,886" with "\$41,729"; amended on page 1, line 24 to replace "\$16,951" with "\$2,763"; amended on page 2, line 1 to replace "\$3,729" with "\$608"; amended on page 2, line 3 to replace "\$120,000" with "\$80,000"; amended on page 2, line 5 to replace "\$27,733" with "0"; amended on page 2, line 16 to replace "\$226,956" with "\$34,063"; amended on page 2, line 18 to replace "\$49,930" with "\$7,666"; amended on page 2, line 20 and on page 3, line 12 to replace "16" with "15"; amended on page 3, line 7 to delete line.
(See new title). Recommended as amended.

New Title: [Appropriation, Public Utilities Commission] Ordinance appropriating \$310,580, Public Utilities Commission - Water Department, of San Francisco Water Department Operating Fund Balance, to fund with associated costs the implementation of safe drinking water and seismic reliability capital improvement programs (Propositions A and B) and creation of fifteen (15) positions for fiscal year 1997-98; companion measure to File 98-0687. (Controller)

7. File 98-0687. [Salary Ordinance Amendment, PUC-Water Dept.] Ordinance amending Ordinance No. 307-97 (Annual Salary Ordinance, 1997-98), Public Utilities Commission - Water Department, reflecting the creation of sixteen (16) new positions; companion measure to File 98-0686. (Department of Human Resources)

SPEAKERS: Harvey Rose, Budget Analyst; Phil Arnold, Public Utilities Commission Finance Bureau.

ACTION: Hearing held. Amended on line 3 after "of" and before "new" to replace "Sixteen (16)" with "Fifteen (15)"; amended to delete line 17. (See new title). Recommended as amended.

New Title: [Salary Ordinance Amendment, PUC-Water Dept.] Ordinance amending Ordinance No. 307-97 (Annual Salary Ordinance, 1997-98), Public Utilities Commission - Water Department, reflecting the creation of fifteen (15) new positions; companion measure to File 98-0686. (Department of Human Resources)

8. File 98-0651. [Parking Meter Rates] Ordinance amending Traffic Code by amending Sections 203.1 through 203.4, inclusive, relating to parking meter rates. (Department of Parking and Traffic)

SPEAKERS: Harvey Rose, Budget Analyst; Bond Yee, Dept. of Parking & Traffic - support; Kathryn Hile, Dept. of Parking & Traffic - support.

ACTION: Hearing held. Recommended.

9. File 98-0656. [Lease Amendment, 680 Eighth Street] Resolution authorizing an amendment to a lease of real property at 680 Eighth Street, San Francisco, for the Department of Public Health. (Real Estate Department)

SPEAKERS: Harvey Rose, Budget Analyst; Ane Okubo, Dept. of Public Health - support.

ACTION: Hearing held. Recommended.

10. File 98-0657. [Lease Amendment, 3801 Third Street] Resolution authorizing a lease of real property at 3801 Third Street, San Francisco, for the Department of Public Health. (Real Estate Department)

SPEAKERS: Harvey Rose, Budget Analyst; Ane Okubo, Dept. of Public Health - support.

ACTION: Hearing held. Recommended.

VOTE ON ALL ITEMS WAS 3 - 0.

Meeting Adjourned: 2:40 p.m.



Public Library, Documents Department
Attn: Kate Wingerson

CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 Market Street, Suite 1025, San Francisco, CA 94102 (415) 554-7642
FAX (415) 252-0461

May 8, 1998

TO: Finance Committee

FROM: Budget Analyst *Recommendations for meeting of...*

SUBJECT: May 13, 1998 Finance Committee Meeting

DOCUMENTS DEPT.

MAY 18 1998

SAN FRANCISCO
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Item 1 – File 98-491

Department: Recreation and Park Department (RPD)

Item: Ordinance amending the San Francisco Park code by adding Article 11, Sections 11.01 through 11.04 approving fee increases for Camp Mather.

Description: Pursuant to the Charter Section 2.109, the Board of Supervisors is required to approve fees and charges established by the Recreation and Park Department (RPD). The fees in the proposed legislation pertaining to Camp Mather, which have been approved by the Recreation and Park Commission, would be increased by between 10 percent to 131 percent, with the exception of establishing a Camp Mather Campership Program fee, resulting in a 50 percent fee reduction to low income San Francisco residents.

The Camp Mather Campership Program would apply to San Francisco families only, with an annual income limit for a family of five of \$34,800 or less, which qualifies as "very low income" according to the definition set forth by

the Federal Department of Housing and Urban Development (HUD). The Camp Mather Campership Program would offer a 50 percent reduction in fees to 10 qualified families. As an example, the current cost for a one week stay for a family of five (two adults and three children) is \$1,224. Under the proposed Camp Mather Campership Program, an eligible family of five would pay \$612. Information about the Campership Program would be furnished to recreation centers and a random drawing of 10 eligible families would be held prior to the camp season. According to RPD, a revenue reduction of approximately \$6,000 is projected as a result of the Campership Program fee reductions.

Comment:

1. According to Mr. Ernie Prindle of RPD, the current Camp Mather fee schedule has been in effect since June 1, 1995. The proposed legislation erroneously states the current fee schedule has been in effect since July 1, 1996. Accordingly, the ordinance should be amended to reflect the actual date of June 1, 1995.

2. As shown in Attachment 1 to this report, provided by RPD, except for the Camp Mather Campership Program, the proposed fees would increase between 10 to 131 percent. According to Mr. Prindle, RPD conducted a survey of four comparable public family camps, including Camp Berkeley, Camp Concord, Camp San Jose, and Camp Sacramento. The survey results, which are shown in Attachment 2, indicate that under the current fee schedule, a one week stay for a family of five at Camp Mather would cost \$1,113, the third highest fees of the surveyed camps. Under the proposed fee increases, a one week stay for a family of five at Camp Mather would cost \$1,233, and would be the second highest fees of the surveyed camps.

In the 1997 Camp Mather season, which was from June 14 through August 23, 1997, Camp Mather collected \$1,138,000 under the current fees. In the 1998 season, which is from June 13 through August 29, 1998, RPD estimates that Camp Mather will collect \$1,320,000 under the proposed fees, an increase of approximately \$182,000, or an overall revenue increase of 16 percent. Mr. Prindle notes that of the \$182,000 projected revenue increase,

RPD estimates that \$120,000, or 10.5 percent, is the result of the proposed fee increases themselves and \$62,000 is the result of a 1998 Camp Mather season that is 11 weeks, or one week longer than the 10 week 1997 Camp Mather season.

3. Mr. Prindle notes that Camp Mather is a self-sustaining operation and receives no General Fund support.

4. According to Mr. Prindle, RPD estimated in its proposed FY 1998-99 budget that Camp Mather revenue would be \$1,320,000, and has requested that all funds generated through the proposed fee increase, estimated to be \$120,000 annually, be allocated toward facilities maintenance projects at Camp Mather, including the upgrade and refurbishment of cabins and facilities, the replacement of the sewage treatment system, and compliance with the Americans with Disabilities Act (ADA) regulations.

5. In addition to the proposed fee changes, the Recreation and Park Commission has approved various other changes to the reservation process, including: (a) a late payment penalty of 5 percent, (b) a limit of one application that can be submitted per envelope, (c) when campers submit multiple applications for one reservation date (in order to increase the odds of success), the deposits submitted for the application processing fees of \$200 for a cabin and \$100 for a tent site will not be refunded, and (d) language to inform guests that reservations for stays at Camp Mather are final. Of the changes noted above, only the new late penalty charge of 5 percent is included in the proposed legislation. According to Mr. Prindle, RPD does not expect these changes to have a significant fiscal impact.

Recommendations:

1. Amend the legislation to show the date that the current fee schedule went into effect is July 1, 1995 and not July 1, 1996.
2. Approval of the proposed ordinance, as amended, is a policy matter for the Board of Supervisors.

Camp Mather Current Fee Schedule and Proposed Changes

		Current Weekly	Proposed Weekly	Variance - Dollar	Variance Percent	Current Daily	Proposed Daily	Variance - Dollar	Variance - Percent
Meal Fees - All Users									
Adult (age 13 years plus)	138	152	14	10%	22	33	11	50%	
Youth (ages 6 to 12 years)	83	91	8	10%	13	21	8	62%	
Child (ages 2 to 5 years)	77	85	8	10%	11	21	10	91%	
Infant (under age 2)									
Resident Cabin Rates									
2 person cabin	275	303	28	10%	50	55	5	10%	
3 person cabin	374	411	37	10%	66	73	7	11%	
4 person cabin	462	508	46	10%	83	91	8	10%	
5 person cabin	539	593	54	10%	99	109	10	10%	
6 person cabin	605	666	61	10%	121	133	12	10%	
4 person tent site	100	231	131	131%	20	45	25	125%	
6 person tent site		303				60			
Non-Resident Cabin Rates									
2 person cabin	330	363	33	10%	55	61	6	11%	
3 person cabin	457	503	46	10%	77	85	8	10%	
4 person cabin	550	605	55	10%	94	103	9	10%	
5 person cabin	644	708	64	10%	110	121	11	10%	
6 person cabin	737	811	74	10%	127	140	13	10%	
4 person tent site	132	275	143	108%	26	52	26	100%	
6 person tent site		369				67			
Day Use Fee									
Adult (age 13 years plus)					5.5	10	4.5	82%	
Youth (ages 6 to 12 years)					2.75	5	2.25	82%	
Child (ages 2 to 5 years)					2.75	5	2.25	82%	
Infant (under age 2)									

Total Current Fee Revenue collected in 1997: \$1,138,000

Total Purposed Fee Revenue estimated to be collected in 1998: \$1,320,000

CAMP MATHER 1998**COMPARABLE RATE ANALYSIS****Camp Mather's Rate Comparison with Regional Family Camps**

Guests	CBrkly	CMather	CScrmnto	CConcord	CSJose
Camp Location	Yosemite	Yosemite	El Dorado Natl. Forest	Lake Tahoe Area	Yosemite
Adult	\$350.00	\$138.00	\$292.00	\$245.00	\$245.00
Adult	\$350.00	\$138.00	\$292.00	\$245.00	\$245.00
14 yr old	\$280.00	\$138.00	\$292.00	\$203.00	\$206.00
9 yr old	\$245.00	\$83.00	\$160.00	\$203.00	\$140.00
4 yr old	\$175.00	\$77.00	\$91.00	\$171.50	\$98.00
Cabin Rate		\$539.00			
Resv Total	\$1,400.00	\$1,113.00	\$1,127.00	\$1,067.50	\$934.00

Comparison with Proposed Fee Increase

Guests	CBrkly	CMather	CScrmnto	CConcord	CSJose
Camp Location	Yosemite	Yosemite	El Dorado Natl. Forest	Lake Tahoe Area	Yosemite
Adult	\$350.00	\$151.00	\$292.00	\$245.00	\$245.00
Adult	\$350.00	\$151.00	\$292.00	\$245.00	\$245.00
14 yr old	\$280.00	\$151.00	\$292.00	\$203.00	\$206.00
9 yr old	\$245.00	\$95.00	\$160.00	\$203.00	\$140.00
4 yr old	\$175.00	\$91.00	\$91.00	\$171.50	\$98.00
Cabin Rate		\$594.00			
Resv Total	\$1,400.00	\$1,233.00	\$1,127.00	\$1,067.50	\$934.00

Notes:

1. Comparable camp sites are for meals and cabins combined.
2. Camp Mather - Meals are charged per person. Cabin rates are based on the cabin size. The above analysis is based on a 5 person cabin.

Memo to Finance Committee
May 13, 1998 Finance Committee Meeting

Item 2 - File 98-722

Department: City Attorney
Public Administrator
Department of Human Services

Item: Resolution authorizing the Public Administrator to act as the personal representative of the Mayor and the Board of Supervisors for the purpose of probating the estate of Mr. Zygmunt Arendt and authorizing the Public Administrator to seek approval from the Probate Court for the appointment of the Executive Director of the Department of Human Services to manage the distribution of the estate under the oversight of the Mayor and the Board of Supervisors.

Description: Mr. Zygmunt Arendt, a San Francisco resident, bequeathed his entire estate to "the poor and needy people of the City of San Francisco." Mr. Arendt directed that the executors of his estate divide the estate as follows: "Sixty percent to the poor and needy people and 40 percent for the most needy seniors' and children's disabled groups." According to Ms. Susan Frankel, Deputy City Attorney, Mr. Arendt's estate is valued at over \$4.5 million, however the exact amount will not be determined until an investigation and appraisal of assets is completed. According to Ms. Frankel, the Public Administrator, under the supervision of the Probate Court, is currently conducting such an investigation and appraisal, which may take a year or more to complete.

Mr. Arendt designated the executors of his estate to be a team comprised of the Mayor and the Board of Supervisors and specified that this team shall "oversee the interviewing and evaluation of each person prior to assisting them" and oversee the distribution of his estate. Ms. Frankel states that clearly neither the Mayor nor the Board of Supervisors can be responsible for the day-to-day management of the estate, nor should they be required to manage the details of the distribution such as interviewing each applicant, as long as they are exercising oversight power. Ms. Frankel advises that the proposed resolution would accept Mr. Arendt's bequest on behalf of the poor and needy people of San Francisco and delineate a practical method of complying with the estate management and distribution requirements contained in Mr. Arendt's will.

Memo to Finance Committee
May 13, 1998 Finance Committee Meeting

Under the proposed resolution, the Public Administrator would be appointed as the personal representative of the Mayor and the Board of Supervisors for the purpose of probating the estate, including coordinating with the Probate Court, collecting the assets of the estate, and reducing non-monetary assets to cash. The Public Administrator would then be authorized to seek approval from the Probate Court for the designation of the Executive Director of the Department of Human Services (DHS) as the City official who will be responsible for managing the expenditures of the estate, under the oversight of the Mayor and the Board of Supervisors. Prior to distributing any monies, the Executive Director of DHS would be required to submit to the Board of Supervisors for approval a detailed expenditure plan for distribution of the assets in a manner consistent with the terms of the will.

According to Ms. Frankel, once an expenditure plan has been approved by the Board of Supervisors, the plan will be submitted to the Probate Court for approval. Ms. Frankel advises that, once the plan is approved by both the Board of Supervisors and the Probate Court, then the monies would be released to the City.

Given that the cash proceeds from this gift are estimated to exceed \$4.5 million and the exact amount of the cash proceeds are not yet known, the Budget Analyst inquired if the Board of Supervisors should be provided with increased financial controls related to this proposed gift. However, Mr. Madden of the Controller's Office advises that, under Section 11 of the Annual Appropriation Ordinance, the Controller would be required to establish a special fund for the purpose of expending the monies from Mr. Arendt's estate in accordance with the expenditure plan approved by the Probate Court and the Board of Supervisors, and the Controller would maintain the fund until all of the monies have been distributed.

According to Mr. Madden, once the proceeds of the estate have been accepted by the City, and once the expenditure plan has been approved by the Board of Supervisors, then the Controller would monitor the expenditures to ensure that such expenditures are made in accordance with the plan as previously approved by the Board of Supervisors.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
May 13, 1998 Finance Committee Meeting

Recommendation: Approval of the proposed resolution is a policy matter for the Board of Supervisors.

Memo to Finance Committee
May 13, 1998 Finance Committee Meeting

Item 3 - File 98-690

Department: Mayor's Office of Public Finance and Legislative Affairs
Department of Telecommunications and Information Services (DTIS)

Item: Resolution (a) approving the issuance of San Francisco Finance Corporation (SFFC) Lease Revenue Bonds; (b) approving the form and authorizing the execution and delivery of an equipment lease between the SFFC, as lessor, and the City and County of San Francisco, as lessee, for the purpose of acquiring equipment for a 911 communications system, including (1) call-taking, (2) dispatch communication, and (3) record keeping equipment for the 911 Emergency Communications Center; (c) providing for the execution and delivery of documents in connection with such bonds; (d) authorizing the payment of certain costs of issuance from the proceeds of such bonds; (e) ratifying actions previously taken; and (f) adopting findings under the California Environmental Quality Act and findings pursuant to City Planning Code Section 101.1.

Amount: Not to exceed \$30,000,000

Source of Funds: San Francisco Finance Corporation (SFFC) Lease Revenue Bonds, Series 1998 (Combined Emergency Communications System Equipment)

Description: In 1994 the City's voters approved Proposition B, the 911 Dispatch Center Financing ballot measure, which authorized the City to issue lease revenue bonds of up to \$60,000,000 and to enter into a lease financing agreement with a non-profit public benefit corporation, the San Francisco Finance Corporation (SFFC). The purpose of the lease revenue bonds is to finance the construction of a 911 Emergency Communications Center (the 911 Center) at 1011 Turk Street and related equipment, including a computer-aided dispatch system for police, fire and emergency services. In 1997, the Board of Supervisors authorized the issuance and appropriated \$22,635,000 in lease revenue bonds in order to finance a portion of the construction of the building that will house the 911 Center, leaving an unsold capacity under this bond issue of \$37,365,000 (\$60,000,000 less \$22,635,000). The Mayor's Office is now requesting authorization for the SFFC to issue up to \$30,000,000 of the remaining

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\$37,365,000 in SFFC Lease Revenue bonds in order to enter into an equipment lease between the SFFC, as lessor, and the City and County of San Francisco, as lessee, to acquire equipment for the 911 Communications System.

According to Mr. Mike Martin of the 911 Project, the 911 Communications System will aid in all aspects of an emergency, from the origination of a 911 call to the direct dispatch of emergency personnel to the 911 caller's location. The system will also enhance the City's ability to schedule and deploy emergency personnel within the Police Department, Fire Department, and the Fire Department's Emergency Medical Services unit and will facilitate the filing and retrieval of emergency records and reports.

The requested maximum bond authorization for the SFFC Series 1998 bonds, which is the subject of this report, is \$30,000,000. However, Ms. Monique Moyer of the Mayor's Office of Public Finance and Legislative Affairs reports that, as estimated under current market conditions, \$24,745,000 of these subject bonds would actually be issued. A summary of the estimated sources and uses of the bond proceeds are shown below.

Funding Sources

Series 1998 Lease Revenue Bond Proceeds	\$24,745,000
Accrued Interest	55,330
Acquisition Fund Earnings*	<u>222,661</u>
Total Sources	\$25,022,991

Estimated Expenditures

911 Communications System Equipment	
Communications Hardware	\$ 8,325,759
Automated Information System (AIS) Hardware	5,174,785
Computer-Aided Dispatch (CAD) Hardware	3,276,714
Mobile Data Terminals (MDTs)	<u>2,948,908</u>
Equipment Subtotal	\$19,726,166
Accrued Interest	55,330
Capitalized Interest Fund	2,102,528
Debt Service Reserve Fund	2,474,500
Underwriter's Discount	123,725
Bond Insurance Premium	239,158
Costs of Issuance	300,000
Rounding	<u>1,584</u>
Total Estimated Expenditures	\$25,022,991

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* Because not all of the equipment would be acquired immediately, it is estimated that interest earnings of \$222,661 will be realized during the time a portion of the bond proceeds are unspent.

Communications Hardware (\$8,325,759) includes a digital receiver connected to the fire alarm boxes on City streets and wiring, or upgrades to existing wiring, for total computer systems between firehouses and facilities, police stations, and the 911 Center. Automated Information System (AIS) Hardware (\$5,174,785) consists primarily of computer workstations, printers, servers and power units to be installed in firehouses and fire-related facilities, police stations and the 911 Center and to be connected through Wide Area Networks and Local Area Networks.

Computer Aided Dispatch (CAD) Hardware (\$3,276,714) includes servers, workstations, monitoring equipment and printers to be installed at the 911 Center. Mobile Data Terminals (MDTs) (\$2,948,908) will permit personnel responding to emergency incidents in the field to access electronically the CAD and AIS systems.

Mr. Martin advises that the total estimated costs for the 911 Communications System portion of the overall 911 Project are \$38,739,189, of which \$19,726,166, or approximately 51 percent, is to be financed by the subject Series 1998 bonds. Mr. Martin states that the remainder of the 911 Communications System costs of \$19,013,023 will be funded from grants, Emergency Response Fee revenues and General Fund revenues, subject to appropriation approval by the Board of Supervisors. According to Mr. Martin, the 911 Center and the related Communications System is expected to be fully operational by December of 1999.

Comments:

1. The total estimated project costs and funding sources for the 911 Project, including the 800 MHz Emergency Radio System previously approved by the Board of Supervisors, is \$166,370,000, as shown below:

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<u>Estimated Project Costs</u>	
800 MHz Emergency Radio System	\$ 58,066,000
Automated Information System (AIS)*	10,818,000
Computer-Aided Dispatch (CAD)*	20,873,000
Project Management	9,926,000
911 Center	25,274,000
Communications Equipment*	17,207,000
Other Costs (including finance costs)*	23,156,000
Training	<u>1,050,000</u>
Total Costs	\$166,370,000

<u>Funding Sources</u>	
Prior Year General Fund Transfers	\$ 24,000,000
Emergency Response Fee Collections	100,000,000
911 Interest Earnings	5,200,000
Grants	4,581,000
Future General Fund Transfers	<u>32,589,000</u>
Total Funding Sources	\$166,370,000

* Will be financed in part by the Series 1998 Bonds which are the subject of this report.

Mr. Martin explains that the Future General Fund Transfers of \$32,589,000 are an estimate only and represent future appropriations of General Fund revenues that would be subject to approval by the Board of Supervisors.

The Emergency Response Fee was previously approved by the Board of Supervisors in December of 1993 for the purpose of funding a portion of the 911 Project costs. The Emergency Response Fee is currently \$1 per month per telephone access line and \$5 per month per trunk line for residential and commercial users of telephones located in San Francisco. The fund currently collects approximately \$9,192,000 annually and is subject to a lifetime cap of \$100,000,000.

2. Under the proposed resolution, the annual interest rate of the bonds could not exceed 12 percent. However, Ms. Moyer reports that if the bonds were sold today, the bonds would be sold with an estimated overall effective interest rate of 4.95 percent, and would have an estimated average interest rate of 4.875 over the 20-year term of the bonds.

3. The requested maximum bond authorization which is the subject of this report is \$30,000,000. However, Ms. Moyer

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reports that, under current market conditions, it is anticipated that \$24,745,000 of these subject bonds will actually be issued. Ms. Moyer estimates that with a 20-year term for the bonds and assuming an average interest rate of approximately 4.875 percent, the proposed sale of bonds in the amount of \$24,745,000 would result in interest costs of approximately \$9,420,461 over the 20-year life of the bonds. Over the 20-year period, the total principal and interest costs of \$34,165,461, would result in an average debt service requirement of approximately \$1,708,273 per year. However, Ms. Moyer reports that since repayment of the bonds is tied to the average useful life of the individual equipment items, estimated debt service in the first 10 years averages \$2,966,670 annually and then declines to an annual average of \$449,906 for the final 10 years.

4. As noted above, the requested maximum bond authorization which is the subject of this report is \$30,000,000. However, Ms. Moyer anticipates that the amount of \$24,745,000 of these subject bonds will actually be issued, leaving a balance of \$5,255,000, or approximately 17.5 percent. According to Ms. Moyer, such a large "cushion" is necessary due to current uncertainty in the bond market. Ms. Moyer advises that, if interest rates are increased, the amount that the City would have to deposit into the Capitalized Interest Fund and Debt Service Reserve Fund for the Series 1998 Bonds would increase and therefore a "cushion" of \$5,255,000 is necessary.

5. Approval of the proposed resolution would permit the sale of up to \$30,000,000 in lease revenue bonds. Expenditures from the bond revenues for the 911 Communications Equipment, estimated at \$19,726,166, will be subject to subsequent appropriation approval by the Board of Supervisors. However, approval of the proposed resolution would authorize the expenditure of a portion, not to exceed \$325,000, of the proceeds of the Series 1998 Bonds for the payment of costs of issuance incurred for the Series 1998 Bonds, including reimbursement of an estimated \$50,000 to the City Attorney's Office, \$30,000 to the Mayor's Office of Public Finance and Legislative Affairs, \$15,000 to the Controller's Office and the balance of \$230,000 to financial advisors, bond counsel, bond trustee, rating agencies, financial printers, advertisers, and property insurers.

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The Mayor's Office of Public Finance advises that this prior authorization for bond issuance costs is requested so that outside vendors may be paid in a timely manner. The Budget Analyst has reviewed estimates for issuance costs provided by the Mayor's Office of Public Finance and Legislative Affairs, and has determined that the costs appear reasonable.

Recommendation: Approve the proposed ordinance.

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Items 4 and 5 - Files 98-140 and 98-141

Note: These items were continued by the Finance Committee at its meeting of March 4, 1998.

Department: Department of Public Health (DPH)

Items: **File 98-140** - Supplemental appropriation ordinance appropriating \$1,500,000 of Tobacco Settlement Revenues to the Department of Public Health (DPH) Community Health Service to fund health education, promotion and enforcement programs to discourage smoking among minors.

File 98-141 - Ordinance amending the 1997-98 Annual Salary Ordinance to reflect the creation of 2.1 FTE new positions in the Department of Public Health (DPH).

Amount and

Source of Funds: \$1,500,000 in proceeds from a Settlement and Consolidation Agreement with the R.J. Reynolds Tobacco Company regarding Mangini v. R.J. Reynolds Tobacco Company, et al.

Description:

On September 9, 1997 a Settlement and Consolidation Agreement (Agreement) was reached with R.J. Reynolds Tobacco Co. (RJR) in Mangini v. R.J. Reynolds Tobacco Company, et al. Pursuant to the Agreement, RJR has discontinued the Joe Camel Campaign, released documents relating to the campaign to the public, and paid \$10,000,000 to the City and County of San Francisco, which served as the lead litigator.

On October 6, 1997 the Board of Supervisors approved a resolution to accept funds in the amount of \$10,000,000 made available in Mangini v. R.J. Reynolds Tobacco Company, et al. and distribute such funds according to the terms of a Settlement and Consolidation Agreement (File 194-97-2.1). Under the terms of the Agreement, of the total amount of \$10,000,000, (a) \$1,000,000 would be used to compensate San Francisco and the 13 other California cities and counties which participated in the litigation for public attorney time spent on the litigation (File 101-97-53) and (b) \$9,000,000 would be used to finance education, enforcement and advertising campaigns by California cities and counties to discourage smoking by minors. Of the \$9,000,000 to be used

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for education, enforcement and advertising campaigns, San Francisco will receive a total of \$1,500,000. The proposed ordinance (File 98-140) would appropriate this \$1.5 million in tobacco settlement revenues to DPH's Community Health Services to fund health education, promotion and enforcement programs to discourage smoking among minors including salaries and other personnel expenses, professional services contracts, equipment, office space, and services of other departments.

DPH has developed a detailed description of the planned use of the subject supplemental appropriation of \$1,500,000 which is shown as Attachment 1.

Budget:

A budget for the requested \$1,500,000, for a 17-month period commencing approximately on June 1, 1998 through October 31, 1999, is as follows:

Permanent Salaries:

1.6 FTE Class 2822 Health Educators @ \$1,818 biweekly and 0.5 FTE Class 1426 Senior Clerk Typists @ \$1,206 biweekly for 17 months (approximately 37 pay periods) \$129,800

Fringe Benefits (22% of salaries) 28,600

Travel

\$1,000 for 5 nights lodging, meals and airfare for 1 staff person to attend the Centers for Disease Control Prevention Institute, New Mexico; and \$500 for 2 staff persons for airfare to attend Tobacco Control Conference in an undetermined location in California. 1,500

Training

\$800 for 1 staff person to attend Centers for Disease Control Prevention Institute; and \$100 for 2 staff persons to attend Tobacco Control Conference 900

Employee Field Expense (approx. \$38/mo. for 17 mos.) 650

Professional Services (See Attachment 2)

Proposal calls for Media, Evaluation, and Community Intervention professional services contracts. However such contractors have not yet been selected. 1,038,100

Rents and Leases

Rent for office space located at 1540 Market Street: 400 sq. ft. @ \$1.25/sq. ft. or \$500/month for 17 months (see Comment No. 2) 8,500

Other Current Expenses (see Attachment 3) 18,315

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Materials and Supplies

Includes 3 desks @ \$600 each, 3 chairs @ \$400 each, 3 computer workstations @ \$350 each, 6 file cabinets @ \$300 each, and 3 bookshelves @ \$200 each \$6,450

Equipment

3 computers with software @ \$2,200 each and 1 printer @ \$1,500 8,100

Services of Other Departments

County Agricultural Weights and Measures

12 months Salaries and Fringe Benefits for 1.0 FTE 6220 Inspector (\$52,029) and 1.0 FTE 1426 Senior Clerk Typist (\$47,158); and \$813 for printing forms. 100,000

Telecommunications and Information Services

Installation of 3 phones @ \$200/phone and monthly service charges for 3 phones @ \$135/month for 17 months 7,485

Purchasing Department

Mail and Reproduction Services approx. \$94 per month for 17 months 1,600

Police Department (See Attachment 4)

150,000

Total

\$1,500,000

According to Ms. Alyonik Hrushow of DPH, under the proposal, an advisory committee selected by the staff of the Tobacco Free Project would be formed, consisting of approximately 10-15 members including representatives of ethnic communities, youth, tobacco control professionals, the City Attorney's Office, and San Francisco Unified School District tobacco education or health program offices. The advisory committee would review anti-tobacco television advertisements, pertaining to discouraging smoking among minors, which have already been produced by other agencies throughout the United States and evaluate, by using focus groups and other research, if existing advertisements are effective and would meet the DPH program's needs in order to discourage smoking among minors. The advisory committee will then decide either to use existing advertisements or direct that new television advertisements be developed.

DPH advises that, based on the conclusions of the advisory group, DPH will follow one of two alternatives for the expenditure of \$1,038,000 in Professional Services funds. A budget for each of these alternatives, labeled "Scenario 1" and "Scenario 2", provided by DPH, is shown as Attachment 2. Under Scenario 1, the advisory group will have

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determined that new television advertisements need to be developed. Under Scenario 2, the advisory group will have concluded that no new advertisements are required and instead funding would be increased to other components of the program.

Comments:

1. The proposed ordinance (File 98-141) would amend the 1997-98 Annual Salary Ordinance to reflect the creation of 2.1 FTE, or three, new positions for the DPH as follows:

<u>Class and Position Title</u>	<u>FTE</u>	<u>Biweekly Salary</u>	<u>Annual</u> Salary	<u>Annual</u> Salary
			<u>Cost @</u> <u>Step 1</u>	<u>Cost @</u> <u>Step 5</u>
2822 Health Educator	1.6	\$1,818 - \$2,209	\$47,450	\$57,655
1426 Senior Clerk Typist	<u>0.5</u>	\$1,223 - \$1,481	\$31,920	\$38,654
	2.1			

The annual cost of the requested 2.1 FTE new positions would range from a total of \$112,094 at Step 1, including salaries of \$91,880 and fringe benefits of \$20,214, to a total of \$136,122 at Step 5, including salaries of \$111,575 and fringe benefits of \$24,547. All 2.1 FTE positions have been budgeted at Step 1 in this requested supplemental appropriation.

2. According to Ms. Hrushow, \$8,500 is required for the rental of 400 square feet of office space located at 1540 Market Street (400 sq. ft. @ \$1.25/sq. ft. or \$500/month for 17 months). Ms. Hrushow advises that five employees of DPH's Tobacco Free Project, which is funded by Proposition 99 funds, currently occupy approximately 2,121 square feet of space in the building at a rate of \$2,651 per month (\$1.25/sq. ft. per month). According to Ms. Hrushow, the 2.1 FTE new employees will share a portion of the space currently leased by the Tobacco Free Project. Ms. Hrushow reports that the rental monies in the amount of \$500 per month is requested to reimburse the Tobacco Free Project for the amount of space the 2.1 FTE new employees will occupy, approximately 400 square feet.

3. According to Ms. Hrushow, the Department has not selected contractors for the Media, Evaluation and Community Intervention components of the proposed plan. Additionally, as noted above, the Department is proposing two alternatives for expenditure of the \$1,038,100 for

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Professional Services depending upon the research and conclusions of the project's advisory committee. Therefore the entire amount of \$1,038,100 for Professional Services should be placed on reserve pending the selection of contractors and the submission of final cost details. Ms. Hrushow advises that all of the contractors will be selected on a request for proposal basis and that the process will be open to any firm which wants to submit a bid. Therefore, Ms. Hrushow states that the possibility exists that firms which currently hold contracts with DPH's Tobacco Free Project may be selected for the proposed new contracts under the subject supplemental appropriation.

4. As noted above, the requested supplemental appropriation includes 1.6 FTE 2822 Health Educator positions and 0.5 FTE 1426 Senior Clerk Typist position for the proposed project for a period of 17 months. Ms. Hrushow advises that the three new positions would be eliminated after the completion of the project. Therefore, the proposed ordinance should be amended to designate the 2.1 FTE positions as "L," or Limited Tenure positions.

- Recommendations:**
1. In accordance with Comment No. 3, place \$1,038,100 for Professional Services on reserve pending the selection of contractors and submission of final cost details. (File 98-140)
 2. In accordance with Comment No. 4, amend the proposed amendment to the Annual Salary Ordinance (File 98-141) by designating the requested 2.1 FTE new positions as "L" or Limited Tenure positions. (File 98-141)
 3. Approval of the proposed ordinances, as amended, is a policy decision for the Board of Supervisors.

PROPOSED MANGINI SETTLEMENT FUNDED PROGRAM
April 1, 1998

I. MEDIA COMPONENT:

A. Ad Campaign:

A major media campaign will be implemented to reach youth through major network and San Francisco cable access TV programs with young audiences. Extensive evaluation of the media campaign will be conducted to measure it's impact on young people. The evaluation component is described under the Evaluation Component section.

The media campaign plan will be implemented by a media contractor. In addition to securing a media buy, the media contractor will provide media promotion services to provide visibility and public awareness of the TV ad campaign. Stories will be pitched to the media to generate public discussion of the TV ads resulting from the successful settlement. The TV ads will be presented as a counter strategy to the tobacco industry's **\$3 billion advertising and promotion expenditures in California**. The media contractor will also be responsible for generating media visibility for the other components of the program related to community-based interventions and enforcement of laws designed to reduce youth access to tobacco and advertising targeting minors.

The media buy and related production costs will range from \$548,600 - \$556,100: \$556,100 if it is determined that a new TV ad(s) needs to be developed. These costs will include media buys and production costs of new ad(s) if needed. If it is determined that existing ads are satisfactory, then the cost will be \$548,600 and will include media buys and talent fees for use of existing ads.

Media Plan activities:

1. Develop and issue RFP for media contractor.
2. Select media contractor, request approval from Health Commission and Board of Supervisors.
3. Complete review of relevant research:
 - A. Complete compilation of information from researchers currently conducting focus groups to evaluate existing TV ads targeting youth with anti-tobacco messages developed in California, Arizona, Massachusetts, Florida and Minnesota.
 - B. Obtain results of work conducted by Connie Pechmann at UC Irvine, Professor of Marketing. Pechmann has categorized 194 ads into 8 approaches and tested them with focus groups in terms of acceptability and

message conveyed. The next stage of her research will be to look at the ads in terms of how they affect susceptibility to smoke, again using focus groups. The results of the second, more substantive phase of research, will be finished in June 1998. It is assumed that access to the results will be made available for the proposed media campaign prior to publication of funding in a journal.

C. Other research findings will be collected from University of North Carolina (22 ads tested for effectiveness of approaches with African American and European American youth); Centers for Disease Control Office on Smoking and Health; Asher Gould (State's media contractor) focus group results on California ads; The Columbia Group focus group results on California ads; The University of Illinois research on effective messages for youth; WHO report on how alcohol is being marketed to youth in the media; Centers for Disease Control media literacy; National Cancer Institute ASSIST Program.

4. Form advisory group for the media and community-based intervention components, with representation from ethnic communities, youth, tobacco control professionals, city attorney's office, school district tobacco education or health programs office.
5. Set criteria with advisory committee for reviewing ads based on focus group research, other research findings, baseline data, ethnic representation and relevance.
6. Review ads against criteria and select a set of ads to be reviewed by an advisory committee. Committee will also be presented media marketing information for reaching youth by ethnicity, including language needs.
7. Conduct focus groups to assess messages and acceptability of ads selected by advisory committee. Advisory committee may find that none of the ads meet criteria or that some ads do meet screening criteria but would need to be supplemented by a new ad or ads in order to achieve cultural diversity.

SCENARIO ONE: Decision is made that only existing ads will be utilized. No new ads will be developed.

8. Identify talent fees for existing ads. Negotiate media buys to reach all ethnic groups identified (European American, African American, Latino, Asian American). Obtain ads in appropriate formats for various TV stations and tag ads with smokers helpline number if appropriate.
9. Make arrangements with statewide teen smokers helpline to prepare for extra volume of calls.

10. Implement TV media campaign for 6-9 weeks, depending on media buy negotiated and budget constraints.

Note: Media air time is most expensive during October - December. To obtain significant audience reach, ads should be placed in January 1999 or if possible earlier in Sept. 1998.

11. Media contractor will provide report on media coverage to the Department of Public Health.

SCENARIO TWO: Decision is made that new ad(s) need to be developed

8. If advisory group finds that some new ad(s) need to be developed, conduct focus groups to test out concepts and how to effectively reach the ethnic groups (ethnic specific vs. multi-cultural ads, language needs, etc.)
9. Conduct focus groups to test out drafts of ads (story boards)
10. Secure media buy to place ads
11. Produce new ad or ads
12. Run ads
13. Provide report on media coverage

B. Media Promotion

The following services would be provided to raise public awareness of the Mangini funded program.

Enforcement

1. Work with city departments implementing enforcement to develop media messages regarding enforcement program with their input.
2. Work with enforcing city departments to develop specific media plan to publicize surveillance and enforcement program as appropriate, such as print media and radio.
3. Implement media plan
4. Media contractor will provide report on media coverage to the Department of Public Health.

Community Based Interventions:

1. Develop a media plan to "kick-off" the community-based program in collaboration with funded agencies as appropriate.
2. Implement media plan.
3. Evaluate media plan.
4. Develop a media strategy to publicize impact of community-based program through human interest stories, success stories, etc.
5. Implement media strategies
6. Evaluate media strategies

II. EVALUATION COMPONENT:

Evaluation of all components of the Mangini Settlement funded program will be conducted. This will include evaluation of: (1) the media campaign designed to discourage youth from smoking; (2) evaluation of the enforcement of San Francisco ordinances banning tobacco self-service displays and outdoor tobacco advertising, as well as Penal Code 308a, a state law that prohibits tobacco sales to minors. Evaluation will include examination of data from a statewide teen smokers' help-line during the media campaign to determine whether there was a significant increase in calls from San Francisco youth during the media campaign which will advertise the helpline phone number. In addition, a baseline and post phone survey of 1000 randomly selected youth will be conducted to evaluate the impact of the media campaign.

A. Media

1. Develop and issue RFP for evaluation contractor.
2. Select contractor and request approval from Health Commission and Board of Supervisors.
3. Determine what data will be available from smokers' helpline and negotiate access to data as appropriate.
4. Design telephone survey instruments and protocols for youth.
5. Determine sampling methods for survey.

6. Conduct random phone survey of 1,000 12-17 year old youth to create baseline data. In addition to demographic data, language and TV viewing practices will be identified, as well as attitudes and behaviors related to smoking, including susceptibility to smoking.
7. Conduct focus groups to assess messages and acceptability of ads selected by advisory committee. Advisory committee may find that some of the ads meet criteria or that same ads do meet some criteria but would not achieve cultural diversity or contain messages appropriate for certain ethnic groups. Six focus groups will be conducted as follows:
 - 2 - in Chinese for older and younger youth
 - 2 - in Spanish for older and younger youth
 - 2 - in English including African Americans and Native Americans for older and younger youths.
8. If existing ads do not adequately meet all criteria, conduct an additional six focus groups as described above to test new messages for new ads.
9. After media TV campaign is aired, conduct phone survey of the baseline sample of 1,000 12-17 year old youth to obtain data regarding ad recall, response, attitudes and behaviors, including susceptibility to smoking,.
10. Obtain teen smokers helpline data for pre and during media campaign.
11. Prepare report including analysis of results.

B. Surveillance and Enforcement

- 1) Enforcement of self service ordinance (Department of Weights and Measures)

Evaluation tasks will include working with Department of Weights and Measures personnel to track activities outlined in the enforcement protocol to assure that enforcement outcome data is collected and reported. Enforcement data will be complemented by the compliance survey data collected by Tobacco Free Project during random compliance checks.

(2) Enforce outdoor advertising ban (Department of Weights and Measures)

Evaluation tasks will include working with Department of Weights and Measures personnel to track activities outlined in an enforcement protocol to measure compliance of outdoor advertising ban achieved following enforcement based on complaints. Enforcement data will be complemented by the compliance survey data collected by the Tobacco Free Project during random compliance checks.

(3) Enforcement of State Penal Code 308a (San Francisco Police Department)

Evaluation tasks will include working with appropriate police personnel to track activities outlined in the enforcement protocol, working with police to assure that enforcement outcome data are collected and reported. Enforcement data will be complemented by the compliance survey data collected by Tobacco Free Project during random compliance checks.

C. COMMUNITY BASED INTERVENTIONS:

Evaluation methods used will include: (1) follow-up; and (2) a control or comparison group. Evaluation tasks will include:

1. Develop a protocol to measure changes in youth's relevant beliefs, attitudes, behaviors, skills and to track their smoking behaviors and susceptibility to smoking.
2. Comprise a control/comparison group of similar youth not receiving the intervention.
3. Administer the protocol at the beginning and end of the intervention to both groups of youth.
4. Determine whether the intervention has been successful.
5. Conduct a 6 month follow-up to determine if youth are still not smoking, changed their susceptibility to smoking and have retained their acquired skills/attitudes/behaviors/beliefs.

III. ENFORCEMENT COMPONENT

- A. **DEPARTMENT OF WEIGHTS AND MEASURES:** Will enforce the San Francisco ordinances that: (1) prohibit self-service tobacco merchandising displays and require vendor assisted sales; and (2) prohibit outdoor tobacco advertising in publicly visible locations except within 660 feet of highways.

Funding in the amount of \$100,000 will be work ordered to the Department of Weights and Measures for enforcement.

ENFORCEMENT PLAN:

Complaints and Referrals:

The Department of Weights and Measures will follow up on complaints and referrals about store fronts that publicly advertise brand name cigarettes and billboards located in areas not exempted by the ordinance or preempted by state law. Complaints and referrals may come from the following sources:

1. Complaint hot-line.
2. Referrals from Tobacco Free Project compliance surveys and other agencies such as the city attorney and SFPD.
3. Referrals from Weights and Measures device inspectors who will discuss the tobacco ordinance requirements with businesses not in compliance, document the discussion, and refer the matter to the tobacco sign inspector.

Initial Inspection:

Upon receiving complaint or referral, an inspector will make an on-site inspection to document the violation, determine the identity of the responsible person, take photographs, and issue a Notice Requiring Correction (NRC).

Non-Compliances:

After 48 hours, the inspector will return to the site for a follow-up visit and will issue a "pass" certificate of inspection. The location will not be revisited except on a complaint or referral basis or annually if the business has a registered commercial device.

If the establishment fails to comply with the Notice Requiring Correction, a Notice of Violation (NOV) will be issued. A follow up visit for the NOV will be conducted after 48 hours. If the establishment is not in compliance, the matter will be referred to the city attorney.

If the establishment complies with the Notice Requiring Correction, but a new violation has occurred (i.e. - a Marboro sign has been replaced by a Camel sign), then another Notice Requiring Correction will be issued for follow up to be conducted after 48 hours.

If three Notices Requiring Correction are issued within a month to the same establishment, the matter will be referred to the city attorney.

Certified Mailing:

If the responsible person is not on the premise at the time of inspection, he/she will be notified by certified mailing after each Notice Requiring Correction or Notice of Violation is issued.

Billboards:

There are three primary billboard vendors operating in the city. Weights and Measures will respond to complaints and referrals by sending a certified mailing to the vendors detailing the violation, the location of the billboard, and specifying at least 5 days for correction. The department will return for an inspection after the specified date. If the billboard vendor fails to comply, the department will send a Notice of Violation via certified mailing and refer the matter to the city attorney.

Self Service Merchandising:

The department will receive and review complaints and within 30 days of receipt, will serve a Notice Requiring Correction to the business. After a specified time, the department will follow up on the notice. If the business fails to comply, the matter will be referred to the city attorney.

Penalties and Investigative Cost Recovery:

For self service merchandise and tobacco sign enforcement, the penalties are paid to the Treasury of the City and County of San Francisco. Also, the city attorney may recover costs in bringing any civil action to enforce the provisions of this section. The department is willing to enter agreements with the city attorney's office to conduct investigations and recover costs after settlement of a civil action.

Databases and Reports:

The department will collaborate with the Department of Health to set up a database to track the number of complaints and referrals received, on site inspections, work hours, notices issued, and other data which may help to evaluate the effectiveness of this plan. At least on a quarterly basis, the department will submit a report to the Department of Public Health to assist in its evaluation of the plan.

B. POLICE DEPARTMENT

The Police Department will enforce PC 308a, the state law which makes it illegal for retailers to sell tobacco to persons under the age of 18. A memorandum of understanding will be developed between the Police and Health Departments and approved by the Police Commission. A work order in the amount of \$150,000 to the Vice Crimes Division of the

Police Department will fund a juvenile tobacco decoy operation. The Vice Crimes Division currently operates a juvenile alcohol decoy program with state grant funds. A tobacco component will be integrated into the Unit's operations

The Police Department will be responsible for:

1. Coordination with the District Attorney regarding immunity for juvenile decoys.
2. Recruitment of personnel, including officers and youth decoys.
3. Coordination with the Legal Division regarding parental consent and save harmless agreements.
4. Training of officers and decoys.
5. Coordination with the Department of Public Health on media and public awareness activities.
6. Conducting of self-initiated tobacco decoy operations.
7. Conducting tobacco decoy operations in response to referrals from the Department of Public Health following identification of non-compliers during random compliance surveys.
8. Responding to complaints from members of the public regarding tobacco sales to minors by tobacco decoy operations.
9. Referring violations to the California Dispute Services for civil hearings.
10. Record keeping and provision of monthly reports summarizing enforcement activities.

IV. COMMUNITY BASED INTERVENTIONS

The third component of the program will be developed based on the examination of the latest research findings on tobacco prevention strategies. The community based intervention will address some of those factors that appear to protect youth from smoking such as positive self-image and participation in extra curricular activities.

An RFP will be developed and issued to assure that services are provided to youth that represent the cultural diversity of San Francisco.

SCENARIO ONE

PROPOSED PROFESSIONAL SERVICES FOR MANGINI PROJECT

Assumption: No new ads will be developed

I. Evaluation:	
A. Media Campaign	
1. Six (6) focus groups @ \$2,500 each. Two focus groups in Chinese, English (including African Americans and Native Americans) and Spanish for younger and older youth to test our existing ads.	\$15,000
2. Baseline random phone survey of 500 12-17 year olds in SF @ \$125 per survey, requiring 50,000 calls to get 500 completed interviews.	\$62,500
3. Post media campaign follow-up phone survey of same 500 adolescents @ \$81.00 per completed survey.	\$40,500
B. Evaluation of Enforcement Component.	\$7,500
C. Evaluation of Community Intervention Component.	<u>\$25,000</u>
Subtotal	<u>\$150,500</u>
II. Media	
A. Talent fees for two or three existing ads. Asians, African Americans, Latinos and Caucasians will all be represented	\$ 20,000
B. Media placement of 2 or 3 TV spots	\$532,600
C. Media strategy planning	<u>15,000</u>
Subtotal:	<u>\$567,600</u>
III. Community Intervention	
Funding for 4 community based projects reaching Asian, African Americans, Latino and Caucasian youth @ \$80,000 each	<u>\$320,000</u>
TOTAL:	<u>\$1,038,100</u>

SCENARIO TWO

PROPOSED PROFESSIONAL SERVICES FOR MANGINI PROJECT

Assumption: Two new ads will be developed

I. Evaluation:

A. Media Campaign	\$30,000
• Twelve (12) focus groups @ \$2,500 each	
1. Six focus groups to test out existing ads (two in Chinese for younger and older youth; two in Spanish for younger and older youth; and two in English including African Americans and Native Americans for younger and older youth)	
2. Assuming existing ads not acceptable, six (6) focus groups for testing out messages and drafts of new ads (same type of groups as described in (1) above)	
• Baseline random phone survey of 500 12-17 year olds in SF @ \$125 per completed survey requiring 50,000 calls to get 500 completed interviews.	\$62,500
• Post media campaign follow-up phone survey of same 500 adolescents @ \$81.00 per completed survey	\$40,500
B. Evaluation of Enforcement Component	\$7,500
C. Evaluation of Community Intervention Component	<u>\$25,000</u>
Subtotal:	<u>\$165,500</u>

II. Media

A. Production of two different spots assuming Asians, African Americans, Latinos and Caucasians will all be represented	\$150,000
B. Media placement of 2 TV spots	<u>\$450,000</u>
C. Media strategy planning	<u>15,000</u>
	<u>\$615,000</u>

III. Community Intervention

Funding for 4 community based projects reaching Asian, African Americans, Latino and Caucasian youth @ \$64,400 each	<u>\$257,600</u>
TOTAL:	<u>\$1,038,100</u>

Department of Public Health
Supplemental Appropriation
Tobacco Settlement
Other Current Expenses Detail

Description

Freight (e.g. Federal Express)	\$ 500
Advertising (1)	12,015
Copy Machine @ \$100/mo x 17 months x 1/2 use	850
Printing @ \$50/month x 17 months	850
Subscriptions	1,000
Other Current Expense (2)	1,300
Other Misc (3)	<u>1,800</u>
Total	\$ 18,315

(1) Advertising includes: 3 ads for RFP notices @ \$400 each; ads for personnel recruitment \$2,000; ads to publicize tobacco program events and recruitment of youth (1/4 page ad in Bay Guardian \$900; one business ad campaign \$4,915; sponsorship of promotional events \$3,000 (youth summit to include cost of City permits, space rental, rental of table, chairs, booths, audiovisual equipment, etc).

(2) Includes youth incentive/promotional items to encourage youth participation and increase program visibility 1,000 items @ \$1.30 each (baseball caps, etc.).

(3) Includes educational curriculum materials @ \$400/session x 2, educational videos @ \$200 x 2, printer toner cartridges (\$200) and other miscellaneous office supplies (\$400).

**Youth Tobacco Enforcement 308(a) P.C.
Budget Estimate****Police Department Hourly Salary Rate: (Includes Overtime and Night Premium)**
All rates estimated

Rank:	<u>July 1, 1998</u>	<u>January 1, 1999</u>
Police Officer (Q4 step 5)	\$44.14	\$44.80
Sergeant (Q52)	\$51.24	\$52.00
Juvenile Decoy	6.00	6.00

Operations from July 1, 1998 to December 31, 1998 (based on a fourteen hour week):

(2) Police Officers x \$ 44.14 =	\$ 88.28
(1) Sergeant x 51.24 =	51.24
(2) Decoys x 6.00 =	<u>12.00</u>
\$151.52 x 336 hours =	\$ 50,911.00

Operations from January 1, 1999 to November 30, 1999 (based on a fourteen hour week):

(2) Police Officers x \$ 44.80 =	\$ 89.60
(1) Sergeant x 52.00 =	52.00
(2) Decoys x 6.00 =	<u>12.00</u>
\$153.60 x 616 hours =	\$ 94,618.00

Equipment:

Computer including associated hardware and software	\$ <u>4,471.00</u>
	<u>\$150,000.00</u>

04/21/98 06:52 UICE + 4152410484

NU.004 P006.006

APR-18-98 THU 03:42 AM BETA NINETIES COMPUTER 415 9741575

P.01

Attachment 4

Page 2 of 2

Fax Message From
Beta Nineties Computer Inc.
366 Mission Street
San Francisco, CA. 94105
Tel: 415-974-1188
Fax: 415-974-1575

Date: Apr. 16, 1998
To: SFPD
Attn: Gerald Louie
Tel: 415-553-1645
Fax: 415-553-9148

Vice Unit/Health Department

Quote For HP Pentium II 300Mhz System

HP Brio Pentium II 300MHz Computer
Intel Pentium II 300MHz Processor
512K Processor Cache
64Mb SDRAM
1.44Mb 3 1/2" Floppy Drive
Iomega 100Mb Int. Zip Drive
8 X Iomega 100Mb Zip Diskette
HP 2.5/5Gb Tape Backup Drive
5 X Tape Backup Cartridge
8.0Gb Ultra DMA Hard Drive
Build In HP PCI SVGA Card W/2M
NEC 17" SVGA Monitor 1280x1024
Mini Tower Case
HP 104 Key PS2 Enhanced Keyboard
HP PS2 Mouse
HP 32X Internal EIDE CD ROM
Build In HP Stereo Sound Card
Pair Of 50W Speakers
US Robotic 56K X2 Int. Fax/Modem
MS Windows 95 Operation System
MS Office Pro 97 On CD (OEM)
HP Laserjet 6PXI Printer
Printer Cable
Extra Toner Cartridge For 6PXI

\$ 4,395.00 + Tax

Total: \$ 4,395.00 + Tax (\$ 373.58) = \$ 4,768.58

Yours Sincerely,

Joseph Lei

Department: Public Utilities Commission (PUC)
Water Department

Item: **Item 6, File 98-686:** Ordinance appropriating \$630,779 for permanent salaries, fringe benefits, professional services, rent, materials and supplies, and equipment to fund costs associated with the implementation of a safe drinking water program and a seismic reliability capital improvement program.

Item 7, File 98-687: Ordinance amending the FY 1997-98 Annual Salary Ordinance to reflect the creation of 16 new positions for the PUC.

Amount: \$630,779

Source of Funds: Water Department Operating Fund

Description: The PUC is requesting a supplemental appropriation (File 98-686), in the amount of \$630,779, to fund the creation of 16 new positions in the PUC and related costs for the purpose of implementing a Water System Reliability and Seismic Safety Program and a Safe Drinking Water Program, which were authorized by the City's electorate in two Bond Propositions in the Municipal Election of November 4, 1997, as follows:

Proposition A: Water System Facilities Bonds (Prop A)

Proposition A authorized the PUC to issue \$157 million in Water System Reliability and Seismic Safety Revenue Bonds to finance, acquire, and construct improvements to make the water system facilities more reliable by modernizing and strengthening the water system's pipelines, water mains, and other facilities to withstand earthquakes. The bond funds are also to be used to upgrade reservoirs, pump stations, distribution systems, and to create a remote monitoring and control system.

Proposition B: Safe Drinking Water Revenue Bonds (Prop B)

Proposition B authorized the PUC to issue \$147 million in Safe Drinking Water Revenue Bonds to finance, acquire, and

Memo to Finance Committee
May 13, 1998, Finance Committee Meeting

construct improvements to its water treatment system in order to enhance the quality of the system's drinking water and to enable the City to comply with the new Federal and State water quality standards. The planned improvements include upgrades to the methods and facilities used to treat and disinfect drinking water.

The companion ordinance (File 98-687) would amend the FY 1997-98 Annual Salary Ordinance to add 16 new positions for the PUC. All of the positions would be bond funded. 15 of the 16 positions would be allocated to the PUC's Utilities Engineering Bureau (UEB) and one position would be allocated to the PUC's Finance Bureau.

Operating Fund monies are being used to fund this request in order to advance the necessary startup monies prior to the sale of the Revenue Bonds, at which time the Operating Fund monies will be reimbursed from the Revenue Bond Fund monies.

File 98-687 would amend the Annual Salary Ordinance to create 16 new positions, as follows:

<u>Positions</u>	<u>Class</u>	<u>Title</u>	Step 1 Biweekly- <u>Annual</u>	Step 5 Biweekly <u>Annual</u>
1	1824	Principal Administrative Analyst	\$2,314-\$60,395	\$2,813-\$73,419
2	5204	Assistant Civil Engineer	\$1,778-\$92,812	\$2,161-\$112,804
2	5206	Associate Civil Engineer	\$2,110-\$110,142	\$2,564-\$133,840
2	5208	Civil Engineer	\$2,442-\$127,472	\$2,969-\$154,982
1	5210	Senior Civil Engineer	\$2,827-\$73,785	\$3,436-\$89,680
1	5238	Associate Electrical Engineer	\$2,110-\$55,071	\$2,564-\$66,920
1	5240	Electrical Engineer	\$2,442-\$63,736	\$2,969-\$77,491
1	5256	Mechanical Engineer	\$2,442-\$63,736	\$2,969-\$77,491
1	5258	Senior Mechanical Engineer	\$2,827-\$73,785	\$3,436-\$89,680
1	5362	Engineering Assistant II	\$1,433-\$37,401	\$1,736-\$45,310
3	6318	Construction Inspector	<u>\$1,990-\$155,817</u>	<u>\$2,418-\$189,329</u>
		Subtotal - Salaries	\$914,152	\$1,110,946
		Fringe Benefits (22%)	<u>201,113</u>	<u>244,408</u>
16		Total	\$1,115,265	\$1,355,354

As shown above, the annual cost of the requested 16 new positions would range from \$1,115,265 at Step 1, including salaries of \$914,152 and fringe benefits of \$201,113, to \$1,355,354 at Step 5, including salaries of \$1,110,946 and fringe benefits of \$244,408.

BOARD OF SUPERVISORS
BUDGET ANALYST

Budget: The budget for the requested supplemental appropriation, for the three-month period of April 1, 1998, through June 30, 1998, is as follows:

16 New Positions	
Salaries	\$243,907
Fringe Benefits @ 22 percent	53,659
Professional Services	120,000
Rent	27,733
Materials and Supplies	43,080
Equipment	<u>142,400</u>
Total	\$630,779

An explanation for this \$630,779 request, including salaries for the period of April 1, 1998, through June 30, 1998, is as follows:

16 New Staff Positions

Attachment I, provided by the PUC, contains an explanation of the responsibilities to be performed for each of the requested 16 new positions.

Professional Services (\$120,000)

Attachment II, provided by the PUC, contains an explanation and justification for the \$120,000 funding request for Professional Services, including hours and hourly rates. According to Mr. Carlos Jacobo of the PUC, the joint venture of SOHA/Olivia Chen was selected from an as-needed list of consultants obtained through a competitive Request-for-Proposals process.

Rent (\$27,733)

Attachment III, provided by the PUC, contains an explanation and justification for the \$27,733 funding request for Rent.

Materials and Supplies (\$43,080)

Attachment III also shows the Department's request for Materials and Supplies. \$38,080 of the \$43,080 requested for Materials and Supplies is for office furnishings for 16 new positions, and is based on a factor of \$2,380 per position. The additional \$5,000 is for software. Attachment IV, provided by

BOARD OF SUPERVISORS
BUDGET ANALYST

the PUC, lists the furnishings and costs included for a typical position workstation.

Equipment (\$142,400)

Attachment V, provided by the PUC, contains a list of the equipment requested, the cost for each piece of equipment, and the planned use of each piece of equipment. Ms. Deborah Vincent-James of the Committee On Information Technology (COIT) has advised the Budget Analyst that COIT has approved the subject request for computer equipment.

- Comments:**
1. According to the memo shown in Attachment VI, Mr. Anson Moran, General Manager of the PUC has stated that neither existing positions in the PUC nor in the Water Department perform any of the responsibilities to be performed by the requested 16 new positions for the Water System Reliability and Seismic Safety Program and the Safe Drinking Water Program.
 2. Mr. Jacobo has advised the Budget Analyst that the startup date for the Water System Reliability and Seismic Safety Program and the Safe Drinking Water Program has been changed from April 1, 1998, to June 17, 1998. Therefore, the requests for Permanent Salaries, Fringe Benefits, Professional Services, and Rent should be reduced by a total of \$316,517 to reflect a starting date of June 17, 1998, instead of April 1, 1998.
 3. Based on our review, we believe the Department has adequately justified 15 of the 16 requested new positions. However, the Department has not adequately justified the need for one new Classification 1824, Principal Administrative Analyst position, at an annual cost of \$88,489, including \$72,532 in salaries and \$15,957 in fringe benefits. The PUC Finance Bureau is currently authorized two Classification 1824, Principal Administrative Analyst positions, and five Classification 1823, Senior Administrative Analyst positions. Mr. Jacobo reports that both existing Principal Administrative Analyst positions, one of which was authorized in the FY 1997-98 Budget and has never been filled, are currently vacant. Mr. Steven Carmichael, Manager of the PUC Finance Bureau, has provided the Budget Analyst with additional information on the duties that would

be performed by the requested new Principal Administrative Analyst position, which is shown in Attachment VII to this report. The Budget Analyst recommends that one of the two currently vacant 1824 Principal Administrative Analyst positions be filled to perform any necessary services for the safe drinking water and seismic reliability programs. Therefore, we recommend that the requested new 1824 Principal Administrative Analyst position be denied resulting in an estimated annual savings of \$88,489 and a total savings from this subject request of \$3,390, including \$2,779 in Permanent Salaries and \$611 in Fringe Benefits for the balance of this fiscal year.

4. A summary of the Budget Analyst's recommended reductions is as follows:

<u>Category</u>	<u>Requested Amount</u>	Budget Analyst	
		<u>Recommended Amount</u>	<u>Recommended Savings</u>
Permanent Salaries	\$243,907	\$37,206	\$206,701
Fringe Benefits	53,659	8,186	45,473
Professional Services	120,000	80,000	40,000
Rent	27,733	0	27,733
Materials & Supplies	43,080	43,080	0
Equipment	<u>142,400</u>	<u>142,400</u>	<u>0</u>
Totals	\$630,779	\$310,872	\$319,907

Recommendations: File 98-686

1. In accordance with the Comment Nos. 2, 3 and 4, reduce the proposed ordinance by a total of \$319,907, from \$630,779 to \$310,872.

File 98-687

2. In accordance with Comment No. 3, amend the proposed amendment to the Annual Salary Ordinance by deleting one Classification 1824, Principal Administrative Analyst position, and approve the remaining 15 new positions.
3. Approve the proposed ordinances as amended.

Supplement on 1/14/99 at 5:31 PM

San Francisco Public Utilities Commission - 1998/99 Budget
Position Worksheet

page 1 of 1

Budget Unit:	PUC0405 Planning & Administration-Pers Fund
Proposal:	98 Supplemental FY 1997-98 Budget Request
Prepared By:	Mary Williams
Phone:	554-6709

Class	Ind	Class Title	Rate	# Pos	Mos	Request	Explanation
5204	N	ASSISTANT CIVIL ENGINEER.....	2161	2	4	37,601	Under direction, 2 Design Engineers to perform certain design calculations and prepare specifications for \$1.8 million in Suburban Dam, reservoir and water treatment projects (Lower Crystal Springs Dam, Alameda Creek Dam & Tunnel Improvements, Rehabilitation of Treatment Plants, Pulgas Reservoir, others).
5206	N	ASSOCIATE CIVIL ENGINEER.....	2564	2	4	44,614	2 Resident Engineers to manage construction and oversee contractors for \$5 million Sund Fast Track program & \$5 million O'Shaughnessy Dam Supply Well Installation
5208	N	CIVIL ENGINEER.....	2969	2	4	51,661	1 Resident Engineer for \$8 million Pressure Reducing Valve Installation program at various City & Suburban locations; 1 Construction Manager to coordinate and oversee multiple contractors on \$28 million Suburban pipeline/tunnel/pump station repair and construction projects for continuity, shutdowns, operational constraints and environmental compliance
5210	N	SENIOR CIVIL ENGINEER.....	3436	1	4	29,893	Project Manager III (vice \$506) for \$30 million Helm Powerhouse Pump Station.
5238	N	ASSOCIATE ELECTRICAL ENGINEER.....	2564	1	4	22,307	Resident Engineer for \$2 million in emergency power supply & generator repairs at Harry Tracy WTP.
5240	N	ELECTRICAL ENGINEER.....	2969	1	4	25,830	Project Engineer for \$10 million in power supply, emergency system upgrades and treatment improvements at Harry Tracy WTP.
5255	N	MECHANICAL ENGINEER.....	2969	1	4	25,830	Resident Engineer for \$2 million Hydro pneumatic Pump Station Replacement Upgrade program
5259	N	SENIOR MECHANICAL ENGINEER.....	3436	1	4	29,893	Construction Manager for \$70 million Replaced Water Treatment Plant & Distribution system
5352	N	CIVIL ENGINEERING ASSISTANT II.....	1736	1	4	15,103	Drafter for new civil engineering & water treatment projects
6318	N	CONSTRUCTION INSPECTOR.....	2418	3	4	63,110	3 Construction Inspectors for \$9 million Pressure Reducing Valve Installation program (1 each for City & Peninsula sites) & \$3 million New Line & Bypass Valves program in the East Bay.
1824	N	PRINCIPAL ADMINISTRATIVE ANALYST.....	2813	1	4	24,473	Prepare internal audits and financial progress reports on water bond program
Total for Budget Unit and Proposal						16	\$ 370,315

For substitutions, list one line for the position being deleted (with negative # and amounts) and one line for the position being added (with positives). New & substitute positions should normally be budgeted for 9 mos., other lengths of time must be explained.

*These preliminary salary amounts are different from those finally requested in this supplemental appropriation.

TOTAL:	0	120,000
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Budget Unit: PUC0405 Planning & Administration-Pers Fund				
Proposal: 98 Supplemental FY 1997-98 Budget Request				
Prepared By: Mary Williams				
Phone: 554-0703				
Char	Obj	Obj Title	1997/98 Budget	1998/99 Request
001	005	Temp Salaries-Misc		
001	009	Temporary Pay		
001	010	Retirement Salaries		
001	012	Holiday Pay		
020	020	Overhead		
021	023	Employee Field Expenses		
021	025	Entertainment and Promotion		
021	026	Court Fees & Other Compensation		
021	028	Maint Svcs-Buildings & Structures		
021	029	Maint Svcs-Equipment		
021	030	Rents & Leases-Buildings & Structures		
021	031	Rents & Leases-Equipment		27,733
021	032	Utilities		
021	033	Power for Resale		
021	034	Subsidies		
021	035	Other Current Expenses		
040	040	Materials & Supplies Budget Only		43,080
040	041	Inventories		
040	042	Building & Construction Supplies		
040	043	Equipment Maintenance Supplies		
040	044	Hospital Clinics & Laboratory Supplies		
040	045	Safety		
040	046	Food		
040	047	Fuels and Lubricants		
040	048	Water Sewage Treatment Supplies		
040	049	Other Materials & Supplies		
021	051	Insurance		
021	052	Taxes, Licenses & Permits		
021	053	Judgments & Claims		
021	054	Other Fixed Charges		
070	070	Cost Service-Budget Only		
086	086	Expenditure Recovery for Services		
091	091	Revenue Transfers Out		
094	094	Residual Equity Transfers Out		
095	095	Investment Transfers Out		
TOTAL			0	70,813

Materials and Supplies Detail

Item	Unit Cost	No. Units	Total
Desk	900	16	14,400
Credenza	400	16	6,400
Chair	300	16	4,800
File Cabinet	260	16	4,160
Bookshelf	120	16	1,920
Side Chair	200	32	6,400
			38,080
Software			5,000
Total M&S			43,080

Budget Unit: PUC0405 Planning & Administration-Pers Fund

Proposal: 98 Supplemental FY 1997-98 Budget Request

Prepared By: Mary Williams

Phone: 554-0709

Equip #	R/N	Subobject	Item Title (40 characters)	Qty	Per Unit	Total Cost	Explanation
S16		06061	Computer (CAD/GIS)	16	5,150	82,400	To upgrade drafting equipment of 16 existing architects & drafters to be compatible with AutoCad Version 14 for Windows NT; existing drafting equipment to be redistributed to new engineers for design applications
S05		06029	Sedan (Midsize w/AC)	3	20,000	60,000	Assigned to Resident Engineers for on-site supervision of construction contract work for Pressure Reducing Valve Installation and SCADA Phase 1 at City East Bay and Sierra Nevada construction sites
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
						0	
Total for Budget Unit and Proposal						142,400	

**CITY AND COUNTY OF SAN FRANCISCO
PUBLIC UTILITIES COMMISSION**Attachment VI

WILLIE L. BROWN, JR., MAYOR


ANSON B. MORAN, GENERAL MANAGER

VICTOR G. MAKRAS
PRESIDENT
ANN MOLLER CAEN
VICE PRESIDENT
E. DENNIS NORMANDY
ROBERT K. WERBE
FRANK L. COOK

SAN FRANCISCO
WATER DEPARTMENT
HETCH HETCHY
WATER AND POWER
SAN FRANCISCO
CLEAN WATER PROGRAM

MEMORANDUM

TO: Stan Jones
Board's Budget Analyst

FROM: Anson Moran 
PUC, General Manager

SUBJ: UEB Supplemental Appropriation

DATE: May 8, 1998

PUC's supplemental appropriation requests for the new sixteen positions is to support the Water Department's System Reliability and Seismic Safety on the Safe Drinking Water Bonds program.

Please be advised that no existing position in either PUC or in the Water Department is performing any of the responsibilities as to be performed by the requested 16 new positions.

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CITY AND COUNTY OF SAN FRANCISCO
PUBLIC UTILITIES COMMISSION
Bureau of Finance

WILLIE L. BROWN, JR., MAYOR

ANSON B. MORAN, GENERAL MANAGER

STEVEN J. CARMICHAEL, BUREAU MANAGER

VICTOR G. MAKRAS
PRESIDENT
ANN MOLLER CAEN
VICE PRESIDENT
E. DENNIS NORMANDY
ROBERT K. WERBE
FRANK L. COOK

SAN FRANCISCO
WATER DEPARTMENT
HETCH HETCHY
WATER AND POWER
SAN FRANCISCO
CLEAN WATER PROGRAM

May 7, 1998

To: Stan Jones
From: Steven Carmichael
Subject: New 1824 - Duties

Under the general supervision of the Director of Special Projects, this position will have the following responsibilities for bond-funded projects and programs:

- Conduct performance audits of PUC contractors and make recommendations for changes and improvements.
- Conduct overhead audits of PUC contractors and develop standards for overhead rates which can be used on future contract negotiations.
- Conduct internal audits of PUC operations and make recommendations for changes and improvements.
- Assist in the development of a commercial paper program to finance construction projects.
- Assist in the development of standard contract specifications for the PUC.
- Work with the Controller and Treasurer to develop and track a separate investment pool for PUC revenues.
- Review and clarify legal documentation involving contract litigation.

In carrying out these duties and responsibilities, the new 1824 will work independently and directly with department managers in the PUC and department staff in other City departments. The work product will consist of complex written and oral analytical reports of a financial nature. Reports may also require some legal analysis. Recommendations will be formulated in the context of existing City and County guidelines contained in the City Charter, Administrative Code and policies and procedures of the PUC. Reports and recommendations will be submitted directly to the PUC Finance Director, the General Manager and the Commission.

These duties and responsibilities will be supervised by the Director of Special Projects who has over-all responsibility for quality assurance and cost-control programs in the PUC. This new position will provide staff to address a workload in the bond-funded capital project arena which is projected to more than triple (to a total of approximately \$300 million) over the next three years.

H:\docs\1824resp.wpd

Item 8 – File 98-651

Department: Department of Parking and Traffic (DPT)

Item: Ordinance amending Part II. Chapter XI, San Francisco Municipal Code (Traffic Code) by amending Sections 203.1 through 203.4, inclusive, relating to parking meter rates.

Description: Presently, there are four Parking Meter Areas in the City including Parking Meter Area One which is the Core of Downtown, Parking Meter Area Two which is the Ring around Downtown, Parking Meter Area Three which is all other City areas and Parking Meter Area Four which is Fisherman's Wharf. According to Mr. Bond Yee of DPT, there are currently 22,630 parking meters in the City, including a) 18,337 standard, mechanical meters which accept quarters only in Parking Meter Areas Two and Three, b) 3,120 mechanical meters in Parking Meter Area One that accept nickels, dimes and quarters, and c) an estimated 1,173 electronic meters throughout all Parking Meter Areas which are able to accept nickels, dimes and quarters. Mr. Yee reports that by July 1, 1998, DPT will have replaced another 914 mechanical meters with electronic meters in Parking Meter Areas One and Two, resulting in a total of 2,087 electronic meters and 20,543 mechanical meters, totaling 22,630 parking meters Citywide.

According to Mr. Yee, the 2,087 new electronic meters that will have been installed by July 1, 1998 cost \$474 each to purchase and \$28 each to install, for a total cost of \$1,047,674, which was previously approved in DPT's FY 1997-98 budget. DPT plans to begin a Citywide replacement of mechanical parking meters with electronic meters in January of 1999, all of which will accept nickels, dimes, and quarters. According to Ms. Kathryn Hile of DPT, an estimated additional 23,000 electronic meters (21,000 for replacement and 2,000 for normal expansion and spares) will be purchased through a lease financing arrangement, which will be subject to legislative approval by the Board of Supervisors.

At the present time, the 1,173 electronic parking meters are installed in Parking Meter Areas One, Three, and

Memo to Finance Committee
May 13, 1998 Finance Committee Meeting

Four. Of the 1,173 currently installed electronic meters, 353 are installed in Parking Meter Area One Downtown, all of which currently accept nickels and dimes. Section 203.1 of the Municipal Code already defines the time rates at \$0.05 for two minutes and \$0.10 for four minutes in Parking Meter Area One. The electronic meters installed in Parking Meter Areas Two, Three and Four will be modified to accept nickels and dimes, but they do accept such coins yet.

The proposed legislation would set the time rates for nickels and dimes in Parking Meter Areas Two, Three and Four according to the following table, which also includes the existing time rates for quarters:

Parking Meter Area	Proposed Time Rates in minutes for \$0.05	Proposed Time Rates in minutes for \$0.10	Existing Time Rates in minutes for \$0.25
One - Core of Downtown	2*	4*	10
Two - Ring around Downtown	3	6	15
Three - All Other City Areas	6	12	30
Four - Fisherman's Wharf	3	6	15

*Existing time rates

The proposed ordinance would establish the time rates for nickels and dimes in Parking Meter Areas Two, Three, and Four only. The electronic parking meters in such areas are able to accept nickels and dimes, with minor modification, but do not currently accept such coins because the time rates for nickels and dimes have not yet been approved by the Board of Supervisors, which is the subject of this proposed ordinance. Parking Meter Area One already has codified rates for nickels and dimes. The proposed ordinance would not change any existing parking meter rate or revise the time limits in any Parking Meter Area.

According to Mr. Yee, if the subject proposed ordinance is approved, which establishes the time rates for nickels and dimes in Parking Meter Areas Two, Three and Four, then DPT intends to establish 15 minute time limits in certain Parking Meter Areas, in accordance with Sections 203(b) and 218 of the Traffic Code, in which electronic meters

BOARD OF SUPERVISORS
BUDGET ANALYST

are installed. According to DPT, 15 minute time limits at parking meters would improve parking turnover near those businesses that have quick customer service, such as dry cleaners, video rentals, Automatic Teller Machines (ATMs), and corner grocery stores. DPT reports that providing increased parking turnover is a key to reducing double parking problems in the City. According to Ms. Lori Giorgi of the City Attorney's Office, a new time limit at electronic parking meters, such as for 15 minutes, would be subject to a public hearing and approval by the Director of DPT. Ms. Giorgi notes that although such a time limit can be implemented administratively without Board of Supervisors approval, a decision by the Director of DPT can be appealed by the public within 30 days and, if such appeals are filed, they must be heard and decided by the Board of Supervisors.

Comments:

1. As explained in the Attachment, according to Ms. Hile, DPT projects that the subject proposed parking meter time rates permitting the use of nickels and dimes will have no significant impact on revenue since motorists will be parking at the same rate but for shorter durations. Ms. Hile reports that DPT expects that there will be no significant impact in either parking meter revenues or parking fine revenues from the issuance of parking citations. Ms. Hile notes that the parking meter revenues from electronic meters have increased between 45-93 percent over the revenues realized from mechanical meters, due to the security feature of electronic locks that significantly reduce theft.

2. According to Ms. Hile, actual parking meter revenues realized in FY 1996-97 were \$13,670,446. Projected parking meter revenues for FY 1997-98 are \$12,895,304 and for FY 1998-99 parking meter revenue projections are \$12,991,067. According to Ms. Hile, the decrease in parking meter revenue is due to increased thefts, which are expected to be significantly reduced through the replacement of the mechanical meters with the electronic meters which have electronic locks.

Recommendation:

Approval of the proposed ordinance is a policy matter for the Board of Supervisors.



25 Van Ness Avenue, Suite 410, San Francisco, 94102

(415) 554-9811

MEMORANDUM

DATE: May 7, 1998
TO: Harvey Rose
Board of Supervisor's Budget Analyst
FROM: Kathryn Hild
Budget and Finance Director
RE: Meter Revenues at 15 Minute Meters

In my estimation there will be no significant impact on revenues due to this legislation. Motorists will be parking at the same rate but for shorter durations. These meters will be placed in front of businesses that serve large numbers of customers for short periods of time such as coffee shops, video stores, dry cleaners, and ATM's. Whereas customers currently double park in front of these businesses, there will now be available parking due to the high rate of turnover at the 15 minute meter. The meters will still be occupied the majority of the time so there will be no loss of revenue.

We expect to experience a dramatic increase in meter revenues as a result of the installation of the electronic meter which also has an electronic lock. The device has the effect of changing the lock combination on every meter every day. It will greatly reduce the opportunity for anyone who tries to steal coins from the meters. In the areas where electronic meters have been installed we have seen revenue increases ranging from 45% to 93%.

Post-it® Fax Note 7671		Date 5/7	# of Pages 1
To Taylor Ewing	From K. Hild		
Co/Dept	Co		
Phone #	Phone #		
Fax #	Fax #		

Memo to Finance Committee
May 13, 1998 Finance Committee Meeting

Item 9 – File 98-656

Department: Department of Public Health (DPH)

Item: Resolution authorizing an amendment to an existing lease of real property at 680 Eighth Street, San Francisco, for the Department of Public Health

Location: 680 Eighth Street, first floor

Purpose of Amendment: To provide for an increase in administrative space for DPH's Perinatal Outreach and Education Program

Lessor: Silicon Valley Bank

Lessee: City and County of San Francisco

No. of Sq. Ft. and Cost Per Month: 2,700 square feet at a monthly base rent of \$4,050, or \$1.50 per square foot

Annual Cost: \$48,600

Utilities and Janitor Provided by Lessor: Electricity is paid by the City; all other costs are paid by the Landlord.

Term of Lease: The proposed lease would commence on the later of either the date that the Landlord satisfactorily completes the required leasehold improvements to the additional space, estimated to be May 15, 1998, or the date the Board of Supervisors and Mayor approve the lease amendment. The lease would continue to be month-to-month.

Right of Renewal: As noted above, the subject lease is month-to-month (see Comment No. 4).

Source of Funds: Grant funds from the State Department of Health Services, previously approved by the Board of Supervisors.

Description: The City and County of San Francisco, on behalf of DPH, executed a month-to-month lease dated August 6, 1997, for administrative offices on the second floor of 680

Memo to Finance Committee
May 13, 1998 Finance Committee Meeting

Eighth Street for 10,050 square feet of space, with the lessor, Sobel Building Development Partners. Following foreclosure action, Silicon Valley Bank has become the lessor. The current lease rate is \$14,606, or approximately \$1.45 per square foot. There are 65 DPH employees in the space, for an average of approximately 155 square feet per person.

The proposed resolution would amend the existing lease by providing for an additional 2,700 square feet on the first floor, for a total of 12,750 square feet, to the existing lease. The proposed lease rate for the additional 2,700 square feet is \$4,050 per month, or \$1.50 per square foot. According to Ms. Deborah Berone of DPH, the proposed amendment to the lease would provide an increase of 2,700 square feet of space for DPH's existing program called the Perinatal Outreach and Education Program, which provides outreach, discussions, presentations to community groups, educational materials and training focused on the African American community.

The Perinatal Program currently has 10 employees, but due to an increase in State grant funds, DPH plans to hire an additional five employees with the State grant funds, for a total of 15 staff members. The 15 Perinatal Program employees will occupy the proposed additional 2,700 square feet, for an average of approximately 180 square feet per person.

Comments:

1. According to Ms. Berone, of the 15 Perinatal Program employees, 10 are existing employees. Of the 10 existing employees, eight are currently on the second floor of 680 Eighth Street with approximately 155 square feet person. Ms. Berone reports that these eight employees will be relocated to the proposed space on the first floor of 680 Eighth Street because of overcrowding on the second floor. Ms. Barone notes that the other two existing employees, who currently have approximately 100 square feet per person, will be moved from the City-owned 101 Grove Street facility due to a DPH reorganization. Ms. Barone reports that the five new Perinatal Program employees are to begin work on June 1, 1998 and will be paid from the State grant funds. To date, three of the new employees have been hired and DPH is recruiting for the remaining two positions.

BOARD OF SUPERVISORS
BUDGET ANALYST

2. According to Ms. Barone, the Perinatal Program is funded with recurring grant funds from the State Department of Health Services, Maternal Child Health Branch, and is approved by the Board of Supervisors annually as part of DPH's budget request.

3. According to Mr. Steve Hoppe at the Department of Real Estate, the tenant improvements for the increased space are estimated to cost \$3,000 and are being paid for entirely by the lessor.

4. Mr. Hoppe reports that the subject lease is month-to-month because the DPH plans to move all of its employees located at 680 Eighth Street to another leased facility at 1890 Bryant Street in January of 1999 in order to consolidate the program staff. As such, the Department of Real Estate recommends a month-to-month term for the subject lease.

5. According to Mr. Hoppe, the proposed lease rate of \$4,050 for 2,700 square feet, at \$1.50 per square foot, represents the fair market value for the subject space.

Recommendation: Approve the proposed resolution.

Item 10 – File 98-657

Department: Department of Public Health (DPH)
Department of Real Estate (DRE)

Item: Resolution authorizing a new lease of real property at 3801 Third Street for the Department of Public Health.

Location: First floor of Building C, 3801 Third Street, San Francisco

Purpose of Lease: To provide space for use as administrative offices of DPH's Home Visiting Demonstration Program, funded for three years by a State grant which was previously approved by the Board of Supervisors.

Lessor: Bayview Plaza, Ltd.

Lessee: City and County of San Francisco

No. of Sq. Ft. and Cost Per Month: 1,257 square feet at a monthly cost of \$1885.50, or \$1.50 per square foot.

Annual Cost: \$22,626

Utilities and Janitor Provided by Lessor: Utilities and janitorial service would be paid by the City

Term of Lease: The term of the lease would commence on the later of the date that the Landlord completes the required tenant improvements, expected to be June of 1998, or the date the Board of Supervisors and Mayor approve the lease, and would expire March 31, 2001, or an estimated 34 months.

Right of Renewal: The City would have the option to extend the term for one additional period of three years at a rental rate equal to 95 percent of the prevailing market rent for similar space at that time, subject to availability of the State grant funds.

Source of Funds: Grant funds from the State Office of Child Abuse Prevention

Description:

The proposed lease would provide space for the administrative offices of the Home Visiting Demonstration Program, funded for three years with a State grant which was previously approved by the Board of Supervisors. The Home Visiting Demonstration Program (Program) will provide home visits to 125 low income and at risk pregnant women with prenatal and well baby services in an effort to reduce adverse outcomes of such pregnancies.

The Program will have seven employees in the subject 1,257 square feet, for an average of approximately 180 square feet per employee.

The subject space is unimproved. The Landlord, Bayview Plaza, Ltd., will pay for all improvements to the space, including construction of walls and ceilings, and the installation of heating, ventilation, air conditioning, and electrical wiring. Such improvements are estimated to cost \$30,000, according to Mr. Steve Hoppe at the Department of Real Estate.

Comments:

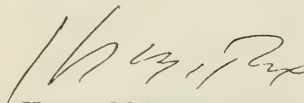
1. The Program began in January of 1998. To date, four of the seven employees have been hired and are temporarily located, in reportedly overcrowded quarters, on the second floor of 680 Eighth Street. DPH is recruiting for the remaining three positions.

2. According to Ms. Deborah Berone of DPH, the Program only has funding for three years, the length of the lease. If the grant funding is continued, the lease includes the option to extend the term for one additional period of three years at a rental rate equal to 95 percent of the prevailing market rent for similar space at that time.

3. According to Mr. Hoppe, the proposed monthly lease rate of \$1885.50 for 1,257 square feet, or \$1.50 per square foot, represents the fair market value for the subject space.

Memo to Finance Committee
May 13, 1998 Finance Committee Meeting

Recommendation: Approve the proposed resolution.



Harvey M. Rose

cc: Supervisor Teng
President Kaufman
Supervisor Newsom
Supervisor Ammiano
Supervisor Bierman
Supervisor Brown
Supervisor Katz
Supervisor Leno
Supervisor Medina
Supervisor Yaki
Supervisor Yee
Clerk of the Board
Controller
Gail Feldman
Matthew Hymel
Stephen Kawa
Ted Lakey

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MINUTES
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

REGULAR MEETING

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MAY 21 1998
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WEDNESDAY, MAY 20, 1998 - 1:00 P.M.

VETERANS BUILDING
401 VAN NESS AVENUE
ROOM 410

MEMBERS: SUPERVISORS MABEL TENG, BARBARA KAUFMAN, GAVIN NEWSOM

ABSENT: Supervisor Newsom for action on Items 5 and 6.

CLERK: JONI BLANCHARD

Meeting Commenced: 1:08 p.m.

REGULAR CALENDAR

1. File 98-0515. [Newsracks] Ordinance amending Public Works Code by adding Section 184.12 regulating the placement and maintenance of newsracks on public streets, sidewalks and rights-of-way to prohibit free-standing newsracks in specified areas of the City, authorizing the creation of fixed pedestal zones in specified areas of the City and authorizing the Director of Public Works to select and enter into agreements with vendors to provide and maintain fixed-pedestal newsracks. (Supervisors Kaufman, Teng)
(Consideration continued from 5/6/98)

SPEAKERS: Mark Primeau, Director, Dept. of Public Works - support; Dan Brugman, Dept. of Public Works - support; David Greenburg, Deputy City Attorney - provided information; Barry Hermanson - expressed concerns; Gary Rader - opposed; Jim Chappell, SPUR - support; Linda Mjellem, Union Square Assoc. & Maiden Lane Associations - support; Starla Navis, Union Square Assoc. - support; Linton Stables - support; Ken Cleaveland, BOMA - support; Wilbur Lee - opposed; Richard Kishimoto - opposed; Gordon Reynolds - neither; Lorna Leviste, Museum Park - support; Douglas Tom - support; Edgar Lopez - support; Carolyn Diamond, Market Street Assn. - support; Michael Martin, S.F. Observer - opposed; Paul Kozak, Richmond Review - opposed; Tracy Rosenberg, Media Alliance - opposed; Alan Freeland - opposed; Deedee Workman, S.F. Beautiful - support; Glenn Gullmes - opposed; Brian Huber - opposed; Richard Fairchild - opposed; Marvin Warren - support; Michael Ellerin, S.F. Bay Guardian - opposed; Renee Natcher - opposed; Tom Karns - California Council of the Blind - support; Karin Flood - support; Rolf Mueller - support.

NOTE: Supervisor Teng added as co-sponsor.

ACTION: Hearing held. Recommended.

2. File 98-0516. [Newsrack Appeal] Ordinance amending Municipal Code Part III, by amending Section 8 to provide for appeals to the Board of Appeals from decisions of the Director of Public Works concerning permits for fixed pedestal newsracks; see File 98-0515. (Supervisors Kaufman, Teng)
(Consideration continued from 5/6/98)

SPEAKERS: Mark Primeau, Director, Dept. of Public Works - support; Dan Brugman, Dept. of Public Works - support; David Greenburg, Deputy City Attorney - provided information; Barry Hermanson - expressed concerns; Gary Rader - opposed; Jim Chappell, SPUR - support; Linda Mjellem, Union Square Assoc. & Maiden Lane Associations - support; Starla Navis, Union Square Assoc. - support; Linton Stables - support; Ken Cleaveland, BOMA - support; Wilbur Lee - opposed; Richard Kishimoto - opposed; Gordon Reynolds - neither; Lorna Leviste, Museum Park - support; Douglas Tom - support; Edgar Lopez - support; Carolyn Diamond, Market Street Assn. - support; Michael Martin, S.F. Observer - opposed; Paul Kozak, Richmond Review - opposed; Tracy Rosenberg, Media Alliance - opposed; Alan Freeland - opposed; Deedee Workman, S.F. Beautiful - support; Glenn Gullmes - opposed; Brian Huber - opposed; Richard Fairchild - opposed; Marvin Warren - support; Michael Ellerin, S.F. Bay Guardian - opposed; Renee Nutter - opposed; Tom Karns - California Council of the Blind - support; Karin Flood - support; Rolf Mueller - support.

NOTE: Supervisor Teng added as co-sponsor.

ACTION: Hearing held. Recommended.

3. File 98-0733. [Appropriation, Dept. of Transportation - MUNI] Ordinance appropriating \$72,439, Department of Transportation - Municipal Railway, of General Reserve Fund for salaries and fringe benefits and the creation of nine (9) positions to extend the hours of operations of the Telephone Information Center and the Passenger Service Units for fiscal year 1997-98; companion measure to File 98-0739. RO #97245. (Controller)

SPEAKERS: Harvey Rose, Budget Analyst; Emilio Cruz, Director, Dept. of Transportation - support; Alan Siegel, MUNI - provided information; Lawanna Preston, Local 790 - support.

ACTION: Hearing held. Amendment of the Whole (with new title) adopted. (See title below). Recommended as amended.

New Title: [Appropriation, Dept. of Transportation - MUNI] Ordinance appropriating \$34,862, Department of Transportation - Municipal Railway, of General Reserve Fund for salaries and fringe benefits and the creation of eight (8) positions to extend the hours of operations of the Telephone Information Center and the Passenger Service Units for fiscal year 1997-98; companion measure to File 98-0739. RO #97245. (Controller)

4. File 98-0739. [Salary Ord. Amendment, Dept. of Transportation - MUNI] Ordinance amending Ordinance No. 307-97 (Annual Salary Ordinance, 1997-98), Department of Transportation - Municipal Railway, reflecting the creation of nine (9) positions, (8 Class 9122 Transit Information Clerk and 1 Class 9124 Sr. Transit Information Clerk); companion measure to File 98-0733. (Department of Human Resources)

SPEAKERS: Harvey Rose, Budget Analyst; Emilio Cruz, Director, Dept. of Transportation - support; Alan Siegel, MUNI - provided information; Lawanna Preston, Local 790 - support.

ACTION: Hearing held. Amendment of the Whole (with new title) adopted. (See title below). Recommended as amended.

New Title: [Salary Ord. Amendment, Dept. of Transportation - MUNI] Ordinance amending Ordinance No. 307-97 (Annual Salary Ordinance, 1997-98), Department of Transportation - Municipal Railway, reflecting the creation of eight (8) positions (8 Class 9122 Transit Information Clerks); companion measure to File 98-0733. (Department of Human Resources)

5. File 98-0734. [Appropriation, DTIS/Administration Services] Ordinance appropriating \$1,680,000, including \$1,000,000, Department of Telecommunication and Information Services and the Administrative Services Department, from the General Fund Reserve-Network and rescinding and appropriating \$680,000 from professional services-Public Protection Special Revenue Fund to finance the initial implementation of the Fiber Optic Network and the development of an Internet Processing Plan for fiscal year 1997-98. RO #97248. (Controller)

SPEAKERS: Harvey Rose, Budget Analyst; Denise Brady, Dept. of Telecommunication & Information Svcs. - support; Ed Colchado, Dept. of Telecommunication & Information Svcs. - support; Kelly D'Angelo, Pacific Bell - support.

ACTION: Hearing Held. Amendment of the Whole (with new title) adopted. (See title below). Recommended as amended.

New Title: [Appropriation, DTIS/Administration Services] Ordinance appropriating \$1,000,000, Department of Telecommunication and Information Services and the Administrative Services Department, from the General Fund Reserve-Network to finance the initial implementation of the Fiber Optic Network and the development of an Internet Processing Plan for fiscal year 1997-98. RO #97248. (Controller)

6. File 98-0738. [PUC Short-Term Indebtedness] Ordinance amending Administrative Code by adding Chapter 84 to provide a procedure for the issuance by the Public Utilities Commission of the City and County of San Francisco of commercial paper and other short-term indebtedness in anticipation of the issuance of revenue bonds. (Public Utilities Commission)

SPEAKERS: None.

ACTION: Consideration continued to 5/27/98.

7. File 98-0741. [Lease of Real Property, 1380 Howard Street] Resolution authorizing an extension and renewal of an existing lease of real property at 1380 Howard Street, San Francisco, for a term of ten years commencing July 1, 1998 at a fixed monthly rent of \$107,000 per month for the Mental Health Division of the Department of Public Health. (Real Estate Department)

SPEAKERS: Harvey Rose, Budget Analyst; Tony DeLucchi, Dept. of Real Estate - support; Judy Schutzman, Mental Health Division, Dept. of Public Health - support.

ACTION: Hearing held. Amended on page 1, line 1 to delete "Extension and Renewal of a" prior to the word "Lease"; amended on page 1 line 2, after the word "authorizing" and before the word "lease" to replace "an extension and renewal of an existing" with "a new". (See new title). Recommended as amended.

New Title: [Lease of Real Property, 1380 Howard Street] Resolution authorizing a new lease of real property at 1380 Howard Street, San Francisco, for a term of ten years commencing July 1, 1998 at a fixed monthly rent of \$107,000 per month for the Mental Health Division of the Department of Public Health. (Real Estate Department)

8. File 98-0742. [Lease of Property, 965 Mission Street] Resolution authorizing a lease of real property at 965 Mission Street, San Francisco, for the Department of Human Services. (Real Estate Department)

SPEAKERS: Harvey Rose, Budget Analyst; Tony DeLucchi, Dept. of Real Estate - support.

ACTION: Hearing held. Recommended.

9. File 98-0749. [Agreement, Airport/Department of Transportation] Resolution authorizing Airport Commission to enter into an agreement with the Department of Transportation, State of California, for the following programs: 1) Seismic Safety Retrofit Program; 2) Highway Bridge Replacement & Rehabilitation (HBRR) Program; and 3) Bridge Inspection Program and to accept reimbursement funds for projects covered by these programs. (Airport)

SPEAKER: Harvey Rose, Budget Analyst.

ACTION: Hearing held. Recommended.

10. File 98-0755. [Reserved Funds, Dept. of Human Resources] Hearing to consider release of reserved funds, Dept. of Human Resources (1997-98 Budget), in the amount of \$75,000, to fund contract services to complete claims backlog project and for services related to the 1998 Open Enrollment process. (Department of Human Resources)

SPEAKERS: Harvey Rose, Budget Analyst; Andrea Gouridine, Director, Dept. of Human Resources - support.

ACTION: Hearing held. Release of \$75,000 approved. Filed.

11. File 98-0422. [Membership List, Retirement System] Ordinance amending Administrative Code Section 16.6-29 to add certain organizations to the membership list of the Employees Retirement System. (Supervisor Yaki)

SPEAKERS: Harvey Rose, Budget Analyst; Claire Murphy, Retirement System - support; Tom Owen, Deputy City Attorney - provided information.

ACTION: Hearing held. Recommended.

VOTE ON ALL ITEMS WAS 3 - 0, EXCEPT FOR ITEMS 5 AND 6, WHICH VOTE WAS 2 - 0 (WITH SUPERVISOR NEWSOM ABSENT FOR ACTION ON THESE ITEMS).

Meeting Adjourned: 3:57 p.m.

25
/98
CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 Market Street, Suite 1025, San Francisco, CA 94102 (415) 554-7642
FAX (415) 252-0461

May 15, 1998

TO: Finance Committee

FROM: Budget Analyst *Recommendations for meeting of*

SUBJECT: May 20, 1998 Finance Committee Meeting

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Items 1 and 2 - Files 98-515 and 98-516

Note: This item was continued by the Finance Committee at its meeting of May 6, 1998.

Department: Department of Public Works (DPW)

Item: Item 1 - File 98-515: Ordinance amending the San Francisco Public Works Code, Article 5.4, by adding a new Section 184.12, regulating the placement and maintenance of newsracks on public streets, sidewalks and rights-of-way to prohibit free-standing newsracks in specified areas of the City, authorizing the creation of Fixed Pedestal Newsrack Zones in specified areas of the City, establishing an annual Fixed Pedestal Newsrack permit and permit fee to be paid by publishers, and authorizing the Director of Public Works to select and enter into agreements with vendors to provide and maintain fixed pedestal newsracks.

Item 2 - File 98-516: Ordinance amending Part III of the San Francisco Municipal Code by amending Section 8 to provide for appeals to the Board of Permit Appeals from decisions of the Director of Public Works concerning permits for fixed pedestal newsracks.

Description: In March of 1997, the Board of Supervisors approved File 200-97-2, which authorized a six month Pilot Program to

place fixed pedestal newsracks at one or more locations and urged the creation of a Task Force to evaluate public response to the fixed pedestal newsracks. The Pilot Program was intended to test the effectiveness of fixed pedestal newsracks in reducing visual clutter and promoting the public health, safety, welfare and convenience of citizens and visitors by ensuring that public streets, sidewalks, and rights-of-way are not unreasonably obstructed by newsracks.

A fixed pedestal newsrack is a newsrack whose dispensing device is mounted on a pedestal, or pole, in a fixed location on the sidewalk, rather than enclosed in a free standing metal cabinet. Fixed pedestal newsracks are often installed in groups of four to six, but because the dispensing boxes are modular units, the fixed pedestal newsracks can be assembled in a variety of configurations.

The Pilot Program was implemented at no cost to the City, by the four participating fixed pedestal newsrack vendors, including City Solutions, JCDecaux, USA Today, and the San Francisco Newspaper Agency, who supplied, installed, and maintained the new newsracks. According to Mr. Dan Brugman of DPW, instead of creating one Task Force to evaluate public response to the fixed pedestal newsracks, DPW created three Task Forces, one each to work with (a) representatives from all 26 publishers participating in the Pilot Program, (b) business and neighborhood groups, which had five members, and (c) representatives from five City departments. A description of the Pilot Program and the Task Forces is included in Attachment 1, as provided by DPW. The four vendors cited above, who participated in the Pilot Program, provided seven different types of fixed pedestal newsracks, for a total of 24 newsracks placed in 12 City locations for six months. Attachment 1 also lists the vendors, the number of newsracks provided, the type of newsrack, and the locations where the newsracks were placed. DPW distributed surveys through the fixed pedestal newsracks used in the Pilot Program in order to collect public feedback. According to Mr. Brugman, of the 769 returned surveys, 93 percent reported favorable responses to the fixed pedestal newsracks.

Approval of the proposed ordinance, File 98-515, would authorize DPW to create Fixed Pedestal Zones in highly congested areas or areas with particular public safety, aesthetic, historical, or economic concerns in the City. In such Fixed Pedestal Zones, free standing newsracks would be prohibited. However, the use of free standing newsracks would be allowed outside of the proposed Fixed Pedestal Zones.

In order to regulate the proposed ordinance, DPW would issue permits to publications seeking access to each fixed pedestal newsrack within a Fixed Pedestal Zone. An annual permit fee of \$30 would be paid by each permit-holder for each newsrack box. This fee would only be used to recover the costs incurred by the City to implement, administer and enforce the subject legislation. The fee would not to serve as a revenue-generating source for the City.

If, after the first year, the permit fees collected by DPW are deemed too low to recover the actual costs incurred by the City, the Director of DPW would submit an increased fee to the Board of Supervisors for the following year. If the permit fees collected by DPW exceed the actual costs incurred by the City, the Director of DPW would submit a reduced fee schedule to the Board of Supervisors. Such a reduced fee schedule may include a pro-rated reduction in the fee charged for those publications who paid a fee that was too high in the first year, and a separate fee for publications applying for a first time permit.

The proposed ordinance authorizes the formation of a Newsrack Advisory Committee, to be made up of eleven members, appointed by the Director of DPW and chaired by the DPW Newsrack Program Manager, including representatives of newspapers and news periodicals, newspaper distributors, neighborhood and merchant groups, and interested members of the public. No vendor or vendor agent may serve on the Newsrack Advisory Committee. The Newsrack Advisory Committee would advise the Director of the DPW as to the implementation, administration, and cost minimization of this subject legislation, including the identification of Fixed Pedestal

Memo to Finance Committee
May 20, 1998 Finance Committee Meeting

Zones and the location and number of newsracks to be permitted within such Zones.

The subject legislation would also authorize the DPW to select and enter into agreements with a vendor or vendors to provide for the installation and maintenance of the fixed pedestal newsracks. DPW issued a Request for Proposal (RFP) for fixed pedestal newsracks on March 13, 1998. The proposals are due to the City by May 11, 1998, and DPW plans to award contracts by August of 1998. According to Mr. Brugman, at present, DPW expects that vendors will pay for the new newsracks by selling advertising which will be allowed on the back of fixed pedestal newsracks, according to specifications in the proposed legislation regarding the size and placement of such advertising. Mr. Brugman notes that the RFP will request vendors to provide other financing alternatives to the sale of advertising, for consideration by DPW. However, at this time, Mr. Brugman estimates that none of the costs of the fixed pedestal newsracks themselves would be funded by the City.

Approval of the proposed ordinance, File 98-516, would authorize the Board of Appeals to hear appeals of decisions regarding the issuance of fixed pedestal newsrack permits by adding the words "a fixed pedestal newsrack permit" to the list of permit types for which appeals are heard, not less than 15 days after the filing of said appeal. Such appeals shall be acted on not more than 30 days after appeals have been filed.

Comments:

1. According to Mr. Brugman, the goal of the Fixed Pedestal Newsrack Program is to replace approximately 12,000 free standing newsracks with approximately 1,000 fixed pedestal newsrack units with an average of eight news boxes each. In the first year of the Program, DPW expects to install approximately 500 of the fixed pedestal newsracks, which will be phased in throughout the year. DPW estimates the permit fees of \$30 per newsrack box will generate approximately \$120,000 (500 newsracks x eight boxes each x \$30 each) in the first year. DPW estimates the cost of administration and enforcement for the first year of the Fixed Pedestal Newsrack Zone Program to be \$174,980 and has requested funding in the

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
May 20, 1998 Finance Committee Meeting

Department's proposed FY 1998-99 budget, as shown in Attachment 2. According to Ms. Tina Olson of DPW, the requested \$174,980 in General Fund support will be partially recovered by the estimated collection of \$120,000 in permit fees, which will accrue to the General Fund.

2. Mr. Greenburg notes that, under the proposed legislation, DPW is authorized to enter into Vendor Agreements for Fixed Pedestal Newsracks, without approval by the Board of Supervisors.

3. According to Mr. Brugman, details regarding the number of Fixed Pedestal Zones, the size of such Zones, and the number and location of newsracks within such Zones have not yet been determined. These matters will be decided by the Director of DPW with consultation from the Newsrack Advisory Committee.

Recommendation:

Approval of the proposed ordinances, Files 98-515 and 98-516, are policy matters for the Board of Supervisors.

THE NEWS RACK PILOT PROGRAM

The Vendors and News Rack Locations

There have been four participating vendors and a total of 22 pedestal-mounted news racks placed in no more than 10 pilot program sites at any one time during the past six months. The following table lists the vendors, the dates, and sites where their news racks have been placed:

Table 1

List of Vendors, Participation Date, and Location of News Rack Prototypes

VENDOR	LOCATION	# OF RACKS	PERIOD	FIGURE
City Solutions	Geary & Stockton	1	June 13, 1997 -	1/1A
	24th & Noe	2	November 1, 1997	7
	Market & Drumm	5	November 4, 1997	
	Market & Montgomery	3	November 6, 1997	
	Castro & Market*	2	November 13, 1997	
JCDecaux	Market & 5th	1	June 30 - Nov. 15	3
	Castro & Market	1	June 30 - Oct. 5	4
	Chestnut and Steiner	1	October 6, 1997	
SFNA	Powell & Market	4	June 27, 1997	5
	401 Van Ness	1	September 12, 1997	6
	Jessie & 5th	1	October 8, 1997	6A
USA Today	Drumm & Sacramento	2	June 13, 1997	2

*These two news racks replaced the JCDecaux model which was moved to Chestnut and Steiner on October 6, 1997.

The Mayor unveiled the first pilot installation in Union Square at the corner of Geary Boulevard and Stockton Street on Friday, June 13, 1997. The news rack was placed there by **City Solutions** of Santa Barbara, California. It carried an advertisement on the back for the U.S. Conference of Mayors (see

Figures 1 and 1A). On the same day, **USA Today** placed two pilot news racks at the corner of Drumm and Sacramento streets in the Embarcadero Center (see Figure 2).

Several weeks later the Mayor unveiled two prototypes following a U.S. Conference of Mayors event held at the Moscone Convention Center. The news racks are owned by **JCDecaux**, the French firm that builds and maintains the city's automatic public toilets. On June 30, 1997, the **JCDecaux** kiosk-style news rack was moved to Market and 5th streets and the smaller pedestal-mounted news rack was moved to the Castro District at the corner of Market and Castro streets (see Figures 3 and 4).

Four pilot news racks were installed at Powell and Market streets on June 26, 1997, by the **San Francisco Newspaper Agency (SFNA)**, which distributes the **San Francisco Chronicle** and **San Francisco Examiner** (see Figure 5).

All of the above pedestal-mounted news racks temporarily replaced the free-standing ones at those locations. The affected publications cooperated by transferring their papers from the single news racks to the pedestal-mounted prototypes. No publication was displaced as a result of the pilot program.

During the first half of the program, the pilot news racks were limited to the above five locations. All news racks were always well maintained and kept clean by the vendors. The models maintained by the **SFNA** at the corner of Market and Powell were tagged almost daily but the graffiti was removed by the agency within 24-hours. At Market and 5th streets, the **JCDecaux** kiosk-style news rack was seldom able to work correctly because of technical difficulties and was removed by the vendor in mid-November.

New locations were added during the second half of the program. On September 12th the **SFNA** replaced the single news racks outside the War Memorial building at 401 Van Ness Avenue with a pedestal-mounted news rack with newspapers placed on both sides of the display (see Figure 6). The same vendor also added a pilot news rack at the corner of Jessie and 5th streets on October 8, 1997. This news rack carried an advertisement on the back (see Figure 6A).

- 3 -

Post-It® Fax Note	7671	Date	# of pages 1
To Taylor		From D. Brown	
Co/Dept		Co. DPW	
Phone #		Phone #	
Fax # 252-0461		Fax #	

City Solutions replaced the free-standing news racks outside Bell Market on 24th Street in Noe Valley with a pedestal-mounted one (see Figure 7) on November 1st, and on November 4th the vendor replaced the clutter of single news racks at the corner of Market and Drumm streets with five pedestal-mounted prototypes.

On October 6, 1997, the JCDecaux news rack on Market and Castro was moved to Chestnut and Steiner in the Marina. City Solutions moved to fill the void in the Castro with two of their prototypes on November 13, 1997.

The News Rack Pilot Program Task Force

The Director of DPW and City Architect, Mark A. Primeau, AIA, created a task force to assist the Department in implementing the news rack pilot program.

The task force assisted by soliciting input from the public; participating in site selection; providing advice on American with Disabilities Act (ADA), community, line-of-sight, aesthetic, and publication-related issues; and establishing criteria for evaluating the program.

The task force consisted of three groups: a city-core group, a business and neighborhood group, and representatives from various publications involved in the pilot program. Each group met separately at least twice during the pilot program. The members are as follows:

City-Core Group:

Dan Brugmann, DPW News Rack Program Manager
Paul Imperiale, Mayor's city-wide disability access coordinator
Joern Kroll, Department of Parking and Traffic
Gail Stein, legislative aide to Supervisor Barbara Kaufman
Bill Villa, Commissioner, San Francisco Art Commission

Business and Neighborhood Group:

Ken Cleveland, Building Owners and Managers Association
Dennis J. Conaghan, Executive Vice President and Chief Operating
Officer, Embarcadero Center
Peter Fortune, Member of the Board, San Francisco Beautiful
Linda Mjellem, Executive Director, Union Square Association
Lynn Valente, Associate Director, Market Street Association

Neighborhood representatives were consulted as the pilot program moved to the Castro, the Marina, and Noe Valley.

Publications Group:

All 26 publications participating in the pilot program.

Publicity

There was a great deal of public interest in the news rack pilot program, beginning with the Mayor's unveiling of the first test site at Geary and Stockton in Union Square on June 13, 1997. The unveiling of the JCDecaux news racks by the Mayor following a U.S. Conference of Mayor's event several weeks later generated additional publicity.

Over the next six months a number of organizations held major events that spotlighted the news rack pilot program. On October 6th, for example, San Francisco Beautiful displayed news racks provided by the four vendors at the organization's annual awards dinner. Later that month the American Public Works Association (APWA) held a well-attended seminar on alternatives to free-standing news racks. The San Francisco Planning and Urban Research Association's (SPUR) December forum was devoted entirely to a review of the pilot program.

DPW representatives such as Dan Brugmann (News Rack Program Manager), Mark Primeau (DPW Director), and Alex Mamak (Director of Communications and Public Affairs) attended other neighborhood events in which they spoke about the purpose of the news rack pilot program.

4/22/98

newsrack.xls

DPW's Newsrack Program Summary of Estimated Costs FY 1998-99

	Hours	Amount
Bureau of Street Use & Mapping (BSM)		
Program Manager (1373 - Special Assistant XIV)	1,700	\$55,165
Technical Support (5366 - Engineering Associate II)	250	9,953
Subtotal Salaries		65,118
Mandatory Fringe Benefits @23%		14,977
Paid Time-off @ 22%		14,326
Overhead @ 34.21% of Salaries		22,277
Equipment (4-door pick-up Truck)		20,000
Professional Services (Computer programming to customize City-wide newsrack database)		15,000
Subtotal BSM		\$137,372
Bureau of Street Environmental Services (BSES)		
7514 - General Laborer (pick-up and store non-compliant newsrack stands)	440	8,283
7355 - Truck Driver (pick-up and store non-compliant newsrack stands)	440	10,395
Subtotal Salaries		18,678
Mandatory Fringe Benefits @23%		4,296
Paid Time-off @ 22%		4,109
Overhead @ 56.35% of Salaries		10,525
Subtotal BSES		37,608
Total Newsrack Program Costs		\$174,980

REVISED May 19, 1998

Items 3 and 4 – Files 98-733 and 98-739

Department: Public Transportation Commission (PTC)
Municipal Railway (MUNI)

Item: File 98-733: Ordinance appropriating \$72,439 from the General Fund Reserve to fund nine new positions to extend the hours of operations of the Telephone Information Center and the Passenger Service Unit at the Municipal Railway.

File 98-739: Ordinance amending the FY 1997-98 Annual Salary Ordinance to reflect the creation of nine new positions in the Municipal Railway.

Amount: \$72,439

Source of Funds: General Fund Reserve

Description: The proposed ordinance, File 98-733, would authorize a supplemental appropriation in the amount of \$72,439 to fund the salaries and fringe benefits for nine new positions, of which five Transit Information Clerks would be assigned to MUNI's Telephone Information Center, three Transit Information Clerks would be assigned to the Passenger Services Unit, and one Senior Transit Information Clerk position would float as needed between the Telephone Information Center and the Passenger Services Unit to supervise the Transit Information Clerks in both units.

The Telephone Information Center has 11 existing employees that provide schedule and route information to passengers over the telephone. The Passenger Services Unit has four existing employees that accept complaints and commendations over the telephone about MUNI employees and services.

File 98-739 would amend the FY 1997-98 Annual Salary Ordinance by creating nine new positions as follows:

<u>Positions</u>	<u>Class</u>	<u>Title</u>	<u>Step 1</u>	<u>Step 5</u>
8	9122	Transit Information Clerk	\$1,365-35,627	\$1,654-43,169
<u>1</u>	9124	Sr. Transit Information Clerk	1,433-37,401	1,736-45,310
9		Total		

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BUDGET ANALYST

The annual cost of the requested nine new positions would range from \$396,568 at Step 1, including salaries of \$322,413 and fringe benefits of \$74,155, to \$480,518 at Step 5, including salaries of \$390,665 and fringe benefits of \$89,853.

According to MUNI, the subject nine new positions would increase the staff levels and hours of telephone operations of both the Telephone Information Center and the Passenger Services Unit, which will increase the availability of information services provided to MUNI customers, allow riders and other citizens to more easily report complaints and commendations, and allow staff to respond to and resolve complaints in a more timely manner. Attachment 1, provided by MUNI, shows 9122 Transit Information Clerk staffing levels currently assigned to the Telephone Information Center and the Passenger Services Unit, and the current days and hours of service. Attachment 2 shows the proposed staffing levels and days and hours of service for the Telephone Information Center and the Passenger Services Unit.

The current hours of operation in the Telephone Information Center are 7am to 5pm on weekdays and 9am to 5pm on weekends, with an existing staff of 11 positions. The proposed hours of operation for the Telephone Information Center are 6am to 10pm on weekdays and 8 am to 6pm on weekends, thereby adding six more hours of service on each weekday, or a total of 30 more weekday hours, and two more hours of service on both Saturday and Sunday, thereby adding a total of four more hours on weekends. In total, operation of the Telephone Information Center would be increased by 34 hours per week, from 66 hours to 100 hours, or an increase of 51.5 percent. The proposed staffing levels of the Telephone Information Center would increase by five new positions, from 11 existing positions to a total of 16 positions, or an increase of approximately 45 percent.

The current hours of operation in the Passenger Services Unit are 9am to 7:30pm on weekdays with an existing staff of four positions. The Passenger Services Unit is closed on weekends. The proposed hours of

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BUDGET ANALYST

operation for the Passenger Services Unit are 7am to 7pm on weekdays and 9am to 5pm on weekends, thereby adding a total of two and a half hours on each weekday, or a total of 12 additional weekday hours and adding eight hours on both Saturday and Sunday, thereby adding a total of 16 hours on weekends. In total, the proposed hours of operation at the Passenger Services Unit would be increased by 28 hours per week, from 50 hours to 78 hours, or an increase of 56 percent. The proposed staffing levels of the Passenger Services Unit would increase by three new positions, from four existing positions to a total of seven positions, or an increase of 75 percent.

Budget:

Below is a summary of the budget for the subject supplemental appropriation of \$72,439 for the period of May 1, 1998 through June 30, 1998:

Salaries	\$58,894
Fringe Benefits	<u>13,545</u>
Total	\$72,439

Attachment 3, provided by MUNI, is a detailed budget for the subject supplemental appropriation.

Comments:

1. This proposed supplemental appropriation for \$72,439 was calculated using May 1, 1998 as the start date for the nine new positions. However, the earliest start date that MUNI would be able to make appointments is June 4, 1998. Therefore, funding for Permanent Salaries should be reduced by \$31,502 and funding for Fringe Benefits should be reduced by \$7,245, for a total reduction of \$38,747, resulting in a need of \$33,692.

2. According to Ms. Sharyn Saslafsky of MUNI, the call volume of the Telephone Information Center and the Passenger Services Unit, as shown in Attachment 4 provided by MUNI, warrants increased staffing levels and extended hours. To date in FY 1997-98 in the Telephone Information Center, the average number of abandoned calls (defined as callers who call during hours of operation but who hung up while waiting on hold, before being answered) is 1,935 per month. The number of after hours calls (defined as callers who call outside the regular hours

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BUDGET ANALYST

of operation) ranged from a low of 5,629 in December of 1997 to a high of 10,917 in September of 1997.

In the Passenger Services Unit, to date in FY 1997-98, the average number of abandoned calls is 195 per month. The number of after hours calls per month ranged from a low of 234 in December of 1997 to a high of 412 in November of 1997.

3. Telephone Information Center

Currently, after hours calls to the Telephone Information Center are greeted with a recording that provides the hours of operation, a description of late night and owl service, plus transportation information tailored to current events (e.g., in the Spring, the message includes directions on how to get to Candlestick Park). As shown in Attachment 4, the average number of calls during hours of operation is 30,729 per month. The average number of after hours calls is approximately 6,995 per month, or approximately 18.5 percent of the total calls received. As also shown in Attachment 4, the average of total calls answered is approximately 76 percent.

Using the statistics provided by MUNI in Attachment 4, the Budget Analyst calculates the average number of calls answered during one, eight-hour shift in the Telephone Information Center to be approximately 113 calls per position ($1,241 \text{ average daily calls} \div 11 \text{ existing positions}$). As such, to increase staffing levels during the current hours of operation in order to answer the monthly average of 1,935 abandoned calls, MUNI would have to add 0.57 FTE ($1,935 \div 30 \text{ days per month} \div 113 \text{ calls per position}$). To answer the monthly average of 6,995 calls made after-hours, MUNI would have to add 2.06 FTE ($6,995 \div 30 \text{ days per month} \div 113 \text{ calls per position}$). In total, to improve the answer rate in the Telephone Information Center, MUNI would have to add approximately 2.63 FTEs. Given attrition and absence, a maximum of 4 new positions would be needed in the Telephone Information Center. As such, the number of the requested new 9122 Transit Information Clerks positions for assignment to the Telephone Information Center should be reduced by one, from five to four new positions.

4. Passenger Services Unit

Currently, after hours calls to the Passenger Services Unit are greeted with a recording that provides the hours of operation, and callers are given the opportunity to leave a message that is returned the next business day by a staff member. As shown in Attachment 4, the average number of calls during hours of operation is 1,820 per month. The average number of after hours calls is 333 per month, or approximately 15.7 percent of the total calls received. As also shown in Attachment 4, the average of total calls answered is approximately 77 percent.

Using the statistics provided by MUNI in Attachments 1 and 4, the Budget Analyst calculates the average number of calls answered during one, eight-hour shift in the Passenger Services Unit to be approximately 25.5 calls per position ($102 \text{ average daily calls} \div \text{four existing positions}$). As such, to increase staffing levels during the current hours of operation in order to answer the monthly average of 196 abandoned calls, MUNI would have to add 0.26 FTE ($196 \div 30 \text{ days per month} \div 25.5 \text{ calls per position}$). To answer the monthly average of 333 calls made after-hours, MUNI would have to add 0.44 FTE ($333 \div 30 \text{ days per month} \div 25.5 \text{ calls per position}$). In total, to improve the answer rate in the Passenger Services Unit, MUNI would have to add approximately 0.7 FTEs. Given attrition and absence, a maximum of 2 new positions would be needed in the Passenger Services Unit. As such, the number of requested new 9122 Transit Information Clerk positions assigned to the Passenger Services unit should be reduced by one, from a request of three to two new positions.

5. According to Mr. Alan Siegal of MUNI, the current supervisor-to-staff ratio of Senior Transit Information Clerks to Transit Information Clerks is 3.75. Under the proposed new staff positions, the supervisor-to-staff ratio would be 4.6. In the professional judgement of the Budget Analyst, one additional 9124 Senior Transit Information Clerk is not needed. If all eight of the requested Transit Information Clerk positions are approved, the supervisor to staff ratio would be 5.75. If the recommended reductions described in Comments Nos. 3 and 4 are approved, thereby authorizing six new 9122 Transit

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BUDGET ANALYST

Memo to Finance Committee
May 20, 1998 Finance Committee Meeting

Information Clerk positions instead of eight positions and no new 9124 Senior Transit Information Clerk positions, then the new supervisors-to-staff ratio would be 5.25, which in the professional judgement of the Budget Analyst would provide for an adequate level of supervisors.

6. As previously noted, the proposed hours for the Passenger Services Unit would increase the weekly hours of operation by 28 hours, but the weekday service, which currently operates until 7:30pm would end at 7pm in the proposed schedule, or one-half hour less evening service than is currently provided. According to Ms. Saslafsky, the reason for shortening the evening hours is that such a change is indicated by an analysis of the hourly call volume, which shows there is less of a demand for the Passenger Services Unit in the evening than there is in the morning. Currently, weekday hours begin at 9am. The proposed hours of operation would begin weekday service at 7am.

7. A summary of the Budget Analysts recommended reductions is as follows:

	Requested	Recommended	Budget Analyst Recommended
<u>Category</u>	<u>Amount</u>	<u>Amount</u>	<u>Savings</u>
Permanent Salaries	\$58,894	\$20,852	\$38,042
Fringe Benefits	<u>13,545</u>	<u>4,795</u>	<u>8,750</u>
Totals	\$72,439	\$25,647	\$46,792

Recommendations:

1. In accordance with Comments Nos. 3 and 4, amend the proposed amendment to the Annual Salary Ordinance, File 98-739, by reducing the new 9122 Transit Information Clerk positions by a total of two, from a request of eight to six new 9122 Transit Information Clerks, and deny the request for one new 9124 Senior Transit Information Clerk. The Budget Analyst recommends approval of six new 9122 Transit Information Clerks and no new 9124 Senior Transit Information Clerks (File 98-739).

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2. Amend the proposed supplemental appropriation to delete the three positions cited in Recommendation No. 1 above and to reflect the actual start date of the recommended six new positions by reducing funding for Permanent Salaries by \$38,042 and reducing funding for Fringe Benefits by \$8,750, for a total reduction of \$46,792, resulting in a need of \$25,647 (File 98-733).

**Departmental
Response:**

Attachment No. 5 is the response from the Director of MUNI Communications to this report. Based on MUNI's response, the Budget Analyst's recommendations remain unchanged.

San Francisco Municipal Railway
Telephone Information Center & Passenger Service Unit
Current

Attachment 1-

Hours of Operation &
9122 Transit Information Clerk Staffing Level

	<u>Saturday</u>	<u>Sunday</u>	<u>Monday</u>	<u>Tuesday</u>	<u>Wednesday</u>	<u>Thursday</u>	<u>Friday</u>
	<u>TIC / PSU</u>	<u>TIC / PSU</u>	<u>TIC / PSU</u>	<u>TIC / PSU</u>	<u>TIC / PSU</u>	<u>TIC / PSU</u>	<u>TIC / PSU</u>
6am-7am	/	/	/	/	/	/	/
7am-8am	/	/	3 /	3 /	3 /	3 /	3 /
8am-9am	/	/	4 /	5 /	5 /	5 /	4 /
9am-10am	4 /	4 /	9 / 3	10 / 3	9 / 3	10 / 3	9 / 3
10am-11am	4 /	4 /	9 / 3	10 / 3	9 / 3	10 / 3	9 / 3
11am-12pm	4 /	4 /	9 / 3.5	10 / 3.5	9 / 3.5	10 / 3.5	9 / 3.5
12pm-1pm	4 /	4 /	9 / 4	10 / 4	9 / 4	10 / 4	9 / 4
1pm-2pm	4 /	4 /	9 / 4	10 / 4	9 / 4	10 / 4	9 / 4
2pm-3pm	4 /	4 /	9 / 4	10 / 4	9 / 4	10 / 4	9 / 4
3pm-4pm	4 /	4 /	6 / 4	7 / 4	6 / 4	7 / 4	6 / 4
4pm-5pm	4 /	4 /	5 / 4	5 / 4	4 / 4	5 / 4	5 / 4
5pm-6pm	/	/	/ 1	/ 1	/ 1	/ 1	/ 1
6pm-7pm	/	/	/ 1	/ 1	/ 1	/ 1	/ 1
7pm-8pm	/	/	/ 0.5	/ 0.5	/ 0.5	/ 0.5	/ 0.5
8pm-9pm	/	/	/	/	/	/	/
9pm-10pm	/	/	/	/	/	/	/

Telephone Information Center:

- Current Hours of Operation are 7 am to 5 pm on weekdays and 9 am to 5 pm on weekends.
- Current level of staffing is 11 - 9122 Transit Information Clerks
- Proposed hours of operation are 6 am to 10 pm on weekdays and 8 am to 6 pm on weekends
- Proposed level of staffing is 16 - 9122 Transit Information Clerks

Passenger Service Unit:

- Current Hours of Operation are 9:00 am to 7:30 pm on weekdays and closed on weekends.
- Current level of staffing is 4 - 9122 Transit Information Clerks
- Proposed hours of operation are 7 am to 7 pm on weekdays and 9 am to 5 pm on weekends
- Proposed level of staffing is 7 - 9122 Transit Information Clerks

San Francisco Municipal Railway
 Telephone Information Center & Passenger Service Unit
 Proposed
 Expanded Hours of Operation &
 Increased 9122 Transit Information Clerk Staffing Level

	<u>Saturday</u>	<u>Sunday</u>	<u>Monday</u>	<u>Tuesday</u>	<u>Wednesday</u>	<u>Thursday</u>	<u>Friday</u>
	<u>TIC / PSU</u>	<u>TIC / PSU</u>	<u>TIC / PSU</u>	<u>TIC / PSU</u>	<u>TIC / PSU</u>	<u>TIC / PSU</u>	<u>TIC / PSU</u>
6am-7am	/	/	3 /	3 /	3 /	3 /	3 /
7am-8am	/	/	4 / 1	4 / 1	4 / 1	4 / 1	4 / 1
8am-9am	2 /	2 /	7 / 2	6 / 2	5 / 2	6 / 2	7 / 2
9am-10am	3 / 1	3 / 1	9 / 4	7 / 4	6 / 4	8 / 4	9 / 4
10am-11am	5 / 1	5 / 1	12 / 5	9 / 5	7 / 5	10 / 5	12 / 5
11am-12pm	5 / 1	5 / 1	12 / 6	9 / 7	7 / 7	10 / 7	12 / 6
12pm-1pm	5 / 1	5 / 1	12 / 6	9 / 7	7 / 7	10 / 7	12 / 6
1pm-2pm	5 / 1	5 / 1	12 / 6	9 / 7	7 / 7	10 / 7	12 / 6
2pm-3pm	5 / 1	5 / 1	12 / 6	9 / 7	7 / 7	10 / 7	12 / 6
3pm-4pm	5 / 1	5 / 1	11 / 5	8 / 6	6 / 6	9 / 6	11 / 5
4pm-5pm	3 / 1	3 / 1	8 / 4	6 / 5	5 / 5	7 / 5	8 / 4
5pm-6pm	2 /	2 /	6 / 2	5 / 3	4 / 3	5 / 3	6 / 2
6pm-7pm	/	/	3 / 1	3 / 1	3 / 1	3 / 1	3 / 1
7pm-8pm	/	/	3 /	3 /	3 /	3 /	3 /
8pm-9pm	/	/	3 /	3 /	3 /	3 /	3 /
9pm-10pm	/	/	3 /	3 /	3 /	3 /	3 /

Telephone Information Center:

- Current Hours of Operation are 7 am to 5 pm on weekdays and 9 am to 5 pm on weekends.
- Current level of staffing is 11 - 9122 Transit Information Clerks
- Proposed hours of operation are 6 am to 10 pm on weekdays and 8 am to 6 pm on weekends
- Proposed level of staffing is 16 - 9122 Transit Information Clerks

Passenger Service Unit:

- Current Hours of Operation are 9:00 am to 7:30 pm on weekdays and closed on weekends.
- Current level of staffing is 4 - 9122 Transit Information Clerks
- Proposed hours of operation are 7 am to 7 pm on weekdays and 9 am to 5 pm on weekends
- Proposed level of staffing is 7 - 9122 Transit Information Clerks

P.3/3

CALCULATION FOR FY 1997-98 SUPPLEMENTAL: Communications TIC & PSR

A TELEPHONE INFORMATION CENTER

class	# pos	biweekly	hrly rate	# PP 5/2-6/30	Sale	Fringes	HP (1 day) x 1.5	HP fringes @23%
8122(step 1)	5	1365	17,0625	4.3	\$ 28,348	6,750	\$ 1,024	235
8124(step 5)	1	1738	21,7000	4.3	\$ 7,485	1,717	\$ 260	60
								\$ 37,357
								\$ 9,502
TIC Additional Premium					\$ 36,812	\$ 8,467	\$ 1,284	295
								\$ 46,859
9122	step 5*	hrly rate	prem hrs	8% prem	Fringes	HP prem	HP fringe	
			4.3 PP	per PP				
9124	1654	20,675	903	1484	344	447	103	2,386
	1736	21,700	275	478	110	168	35	780
B PASSENGER SERVICE UNIT				\$ 1,971	\$ 453	\$ 603	\$ 139	\$ 50,025 TOTAL TIC

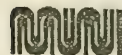
# pos	step 1 biweekly	# PP	Sale	Fringes	HP (1 day) x 1.5	HP fringes 23%
9122	3	1365	4.3	\$ 17,609	\$ 4,050	\$ 614
						\$ 141
Char						
OO1 Subobject						
OO100	Salaries - Misc		\$ 54,422			
OO901	Premium pay		\$ 1,971			
O1201	Holiday Pay		\$ 2,501			
	Total OO1		\$ 58,894			
Char						
O13						
O1301	Misc Fringe		13,545			
	Total Salaries & Fringes		\$ 72,439			
						\$ 22,414 TOTAL PSU
						\$ 72,439

MAY 05 09:43AM PUC ENTERPRISE ACCTG 4159232439

* Step 5 used since position is expected to be filled by promotional appt.
 ** Step 5 used as premium strike may be filled by existing employees with seniority.



Department of Muni Communications
Monthly Call Activity
1997-98, Year to Date



Telephone Information Center

	Total Calls	Avg Daily Calls	Calls Ans.	Calls Aban.	Total calls when open	Calls Aft Hrs.	% Ans Open	% Ans. Total	Avg. Talk (Min:Sec)	Avg. Hold (Min:Sec)	Max. Hold (Min:Sec)
Jul.	41,668	1,344	31,756	2,405	34,161	7,507	93%	76%	1:25	:56	17:25
Aug	42,382	1,367	32,090	2,709	34,799	7,583	92%	76%	1:22	1:03	15:38
Sep	49,978	1,666	35,255	3,806	39,061	10,917	90%	71%	1:18	1:13	16:40
Oct	39,883	1,287	30,856	2,272	33,128	6,755	93%	77%	1:19	:52	13:36
Nov	32,941	1,098	25,018	1,477	26,495	6,446	94%	76%	1:13	:41	17:54
Dec	32,422	1,046	25,696	1,097	26,793	5,629	96%	79%	1:13	:33	16:30
Jan	34,688	1,119	26,700	1,764	28,464	6,224	94%	77%	1:13	:45	17:57
Feb	33,537	1,198	25,451	1,699	27,150	6,387	94%	76%	1:11	:41	16:12
Mar	34,659	1,118	27,439	1,145	28,584	6,075	96%	79%	1:16	:30	10:17
Apr	35,079	1,169	27,680	974	28,654	6,425	97%	79%	1:13	:27	13:37
Total year to Date	377,237	12,412	287,941	19,348	307,289	69,948					
Average Monthly to date	37,724	1,241	28,794	1,935	30,729	6,995	94%	77%	1:04	:40	15:34

Passenger Service Unit

	Total Calls	Avg Daily Calls	Calls Ans.	Calls Aban.	Total calls when open	Calls Aft Hrs.	% Ans Open	% Ans. Total	Avg. Talk (Min:Sec)	Avg. Hold (Min:Sec)	Max. Hold (Min:Sec)
Jul.	2,450	111	1,805	240	2,045	372	88%	74%	3:04	9:22	16:27
Aug	1,723	82	1,425	138	1,563	361	91%	83%	2:59	7:32	17:39
Sep	2,484	118	1,908	244	2,152	360	89%	77%	2:58	8:33	16:08
Oct	2,276	103	1,778	219	1,997	351	89%	78%	2:46	8:06	25:53
Nov	1,924	113	1,354	158	1,512	412	90%	70%	2:56	6:42	17:31
Dec	1,966	89	1,529	203	1,732	234	88%	78%	2:38	10:14	1:50
Jan	2,293	114	1,712	233	1,945	348	88%	75%	2:37	11:25	61:00
Feb	2,146	113	1,691	153	1,844	302	92%	79%	2:30	5:18	7:23
Mar	2,010	91	1,512	198	1,710	300	88%	75%	2:46	6:55	27:01
Apr	1,988	90	1,532	169	1,701	287	90%	77%	2:44	2:39	8:32
Total year to Date	21,260	1,024	16,246	1,955	18,201	3,327					
Average Monthly to Date	2,126	102	1,625	196	1,820	333	89%	77%	2:40	2:48	19:56

To: Harvey Rose, Budget Analyst F: 252-0461
From: Sharyn Saslafsky, Director of Muni Communications
Date: May 15, 1998
Subject: Final Draft 98-733 and 98-739

The rational and support information you requested:

- These positions are paramount to our maintaining operating hours that best serve our customer. As you are well aware, our customers often need to place calls after they return from work, or on the weekends when they are out and about.
- The 9124s serve as supervisors. The position is necessary since we are extending the hours and days in the Passenger Service Unit as well as hours and days in the Transit Information Center.
- The 9124, assigned to work the weekend shift, will supervise both the Passenger Service Unit and the Transit Information Center.
- The work of 9122s in the PSU can not simply be measured by the total number of calls, or the duration of calls. These 9122s write, route, and track complaints from the initial call through resolution. The 9122s also send letters of acknowledgement to the caller. In addition to calls, the 9122s research, track, and respond to complaints filed in person as well as written complaints.
- The timeliness of response is also a part of a MOU.
- As Muni embarks on the promotion and implementation of new programs, specifically POP and ATCS, support is essential for communication and outreach for our customer. Starting Summer '98, we anticipate that calls, questions and paperwork will significantly increase. TIC and PSU must be available to answer questions associated with new procedures, explain processes, and assist our customers as they become familiar with our new projects.
- Information gathered by TIC and PSU serves as a barometer of how the railway is doing. By staffing and extending our hours in the TIC and PSU, we garner a broader range of information and feedback.

With regard to the 9124 position:

The new hours for PSU will be 7:00 a.m. to 7:00 p.m., or 12 hours a day, five days a week. In order to provide supervisory coverage during all hours of operation on weekdays, two supervisors will be required. Saturday and Sunday will be covered by the TIC supervisor.

The TIC will be open on Saturday and Sunday from 8:00 a.m. to 6:00 p.m. (10 hours per day). On weekdays, the TIC will be open from 6:00 a.m. to 10:00 p.m. (16 hours per day).

A third supervisor will work Wednesday through Saturday, 10-hours a day. A fourth supervisor will work Sunday through Wednesday, 10-hours a day. A fifth supervisor will work Monday through Friday, 8-hours a day. This coverage allows us to back-up the computer systems without loss of data.

Therefore, in order to provide full supervisory coverage in both PSU and TIC, it is necessary to add an additional 9124.

These schedules and calculations are factored at the bare minimum of operation. This is based on full coverage and does not include vacation, sick days or other absences.

Item 5 – File 98-734

Note: This report is based on a proposed amendment of the whole prepared by the Controller's Office.

Department: Telecommunications and Information Services

Item: Ordinance appropriating \$1,000,000 to partially finance the initial implementation of the fiber optic network¹ and the development of an Internet On-line Processing Plan at the Department of Telecommunications and Information Services (DTIS) and the Administrative Services Department (ASD).

Amount: \$1,000,000

Source of Funds: General Fund Reserve: \$1,000,000

Description: This General Fund supplemental appropriation request of \$1,000,000 would be supplemented by \$680,000, which is part of the \$30 million in San Francisco Finance Corporation (SFFC) Lease Revenue Bond, Series 1998 (Combined Emergency Communications System Equipment) pending approval before the Board of Supervisors on the May 18, 1998 Board Calendar (File 98-690). A total of \$1,680,000, including this request of \$1,000,000 would be used for (1) the construction and related costs of implementing a City-owned fiber-optic network to enable faster transmission of data, such as computer and telephone data between City Departments providing emergency services (\$1,605,000), and, (2) the development of an Internet On-line² Processing Plan, which would include the design of a system to enable citizens to conduct on-line business transactions with City departments over the fiber-optic network (\$75,000).

According to Ms. Jessica Josephson, Director of the Department of Telecommunications and Information

¹ A "fiber optic network" is used to transmit digital information, in the form of a light, such as from a laser, through fibers or thin rods of glass or other transparent material, rather than using copper wires to transmit data electronically, such as is most commonly used for telephone and data transmissions. The "bandwidth" or data transfer capacity of a fiber optic network greatly exceeds that of a copper wire network, and a fiber optic network is not subject to electrical interference.

² On-line means accomplishing an operation, such as transferring funds, while connected to a computer network.

Services, such on-line business transactions could include the payment of property taxes and water bills, and the processing of various City permits.

According to Ms. Josephson, a fiber optic cable network and associated transmission equipment would provide City agencies with a telecommunications system featuring high-speed connections delivering voice, data, and video communications to 10 City buildings, including City Hall, the new Combined Emergency Command Center, and the Central Data Center at One Market Plaza. Attachment II to this report, provided by Ms. Josephson, is a conceptual schematic design of the network. The primary advantage of a fiber optic network is that it makes feasible on-line transmission of large data files and images, such as engineering drawings, which would not be feasible using traditional copper wires for on-line data transmission.

Budget:

A summary budget for the fiber-optic network is as follows:

Fiber, SONET ³ , and	
Terminating Equipment	\$1,153,000
Network Management Software	357,000
Network Design	95,000
Internet On-line Processing Plan	<u>75,000</u>
Total	\$1,680,000

A detailed budget for the fiber-optic network is included as Attachment I to this report.

³ Synchronous Optical Network, which is the standard for fiber-optic networks.

Comments:

1. Ms. Denise Brady of DTIS reports that the General Fund Reserve is the requested source of funds in the amount of \$1,000,000 for the fiber-optic network because, with the exception of the 911 Project, the network will primarily be serving General Fund departments, as shown in Attachment II. Ms. Brady further reports that the 911 Project is a major contributor to the overall cost of the initial fiber-optic network because its project funding and scope included the need for time-sensitive connectivity that the fiber-optic network will provide. According to Ms. Brady, in the future, those departments in close proximity to the fiber-optic network will be connected at the expense of the particular department.

2. Ms. Josephson reports that the fiber optic network would be installed in conduit provided by PG&E under the provisions of a settlement agreement between PG&E and the City, which was approved by the Board of Supervisors in July of 1997. As previously reported, this settlement agreement specifically authorized the City to use available conduit, owned by PG&E, for installation of a fiber optic network. Ms. Josephson further estimates that the network would be installed and available for use in January of 1999.

3. The Committee on Information Technology (COIT), has approved the proposed project (see Attachment III).

Recommendation: Approve the proposed ordinance.

Contractor (Fluor-Daniel) Engineering Design, Development and Management SOW : \$95,000
(720 hours @ ~ \$130/hr.)

Professional services to assist City staff develop the system conceptual design, identify equipment requirements to meet conceptual design and the development of an Implementation Plan and Ongoing Services Plan.

Fiber Optic Cable, Innerduct and Termination Systems Procurement and Installation/Testing: \$643,000

<u>Item</u>	<u>Estimated Procurement/Installation Cost</u>
Fiber Optic Cable	\$323,000
Innerduct	\$139,000
Fiber Termination Systems	\$181,000

SONET Equipment Procurement and Installation \$510,000
(10 Equipments @ average cost of \$51,000 each)

This equipment converts the optical signals transported on the fiber to electrical signals that can be connected to users within the 10 City sites.

MAN Management, Maintenance and Security (including Network Management HW/SW): \$357,000

SONET Network Management HW/SW: \$175,000

Hardware and software required to manage and control the SONET equipment

Internet/Intranet Firewall Security: \$91,000

WAN Management Services SW and Tools: \$91,000

Internet On-Line Processing Plan: \$75,000

Internet Transaction Processing- This is a project that will implement electronic web based transactions allowing citizens of San Francisco to conduct City business via the world wide web.

When this project is fully implemented, City residents will be able to electronically pay such things as water bills, taxes, permit and license fees, and other similar transactions.

This is the planing component of the project. Digital Equipment Corporation is the successful respondent to an RFQ issued by the City. This is a one-month fixed price effort to prepare a detailed implementation and resoure plan and approach to move this project forward. Digital Equipment Corporation will perform this analysis and deliver a report to the City which will include:

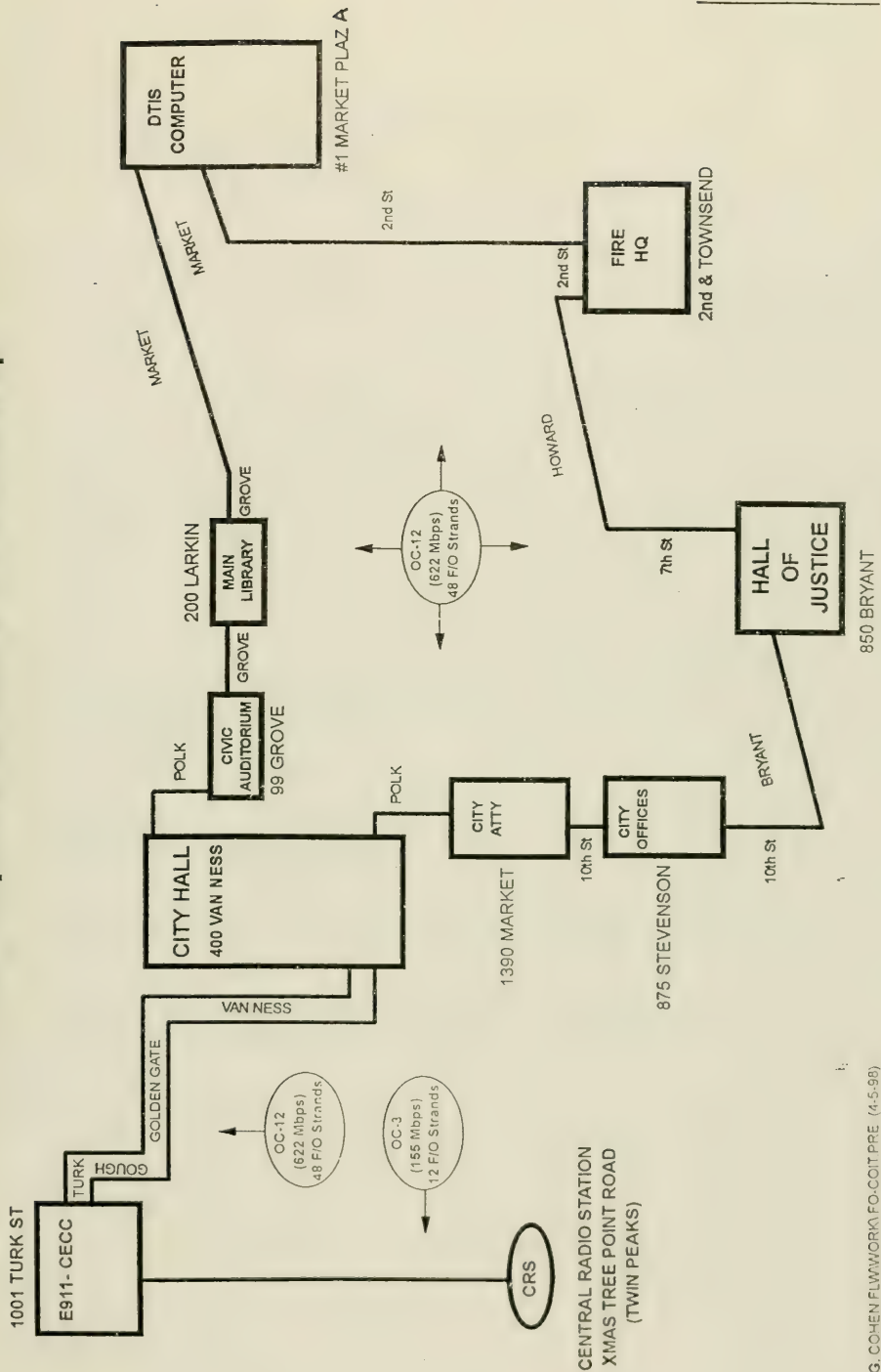
- Overall Business and Technical Requirements Definition.
- Finalize Solutions Architecture and approach.
- Phased Implementation strategy and selection criteria.
- Project Implementation Model.
- Phased Implementation Plan.
- Estimates for phased activities, resources, timelines and costs.
- Detail Implementation plan for the project's first phase.

Total: \$1,680,000

ecfluord

City and County of San Francisco

Fiber Optic Backbone MAN Site Map





CITY AND COUNTY OF SAN FRANCISCO
Department of Telecommunications & Information Services
Committee on Information Technology

May 13, 1998

Mr. Richardson, Controller
Chair
Mr. Kaufman, President
of Supervisors
Mr. Hymel, Finance Director
Office
Mr. Josephson, Director of
Telecommunications &
Information Services
Mr. Brown, Public Defender
Mr. Dell Katz, Director
of Public Health
Mr. Gourdain, Director
of Human Resources
Mr. Fineau, Director
of Public Works
Mr. Minudri, City Librarian
Public Library
Mr. Lightbourne, General Manager
of Human Services

Ms. Jessica Josephson
Director of Telecommunications &
Information Services
875 Stevenson Street, 5th Floor
San Francisco, CA 94102

Dear Ms. Josephson:

The purpose of this letter is to notify you of the results of the COIT review of your department's project related to fiber optics.

The project has been approved.

Project Name: Fiber Optics Improvement
Project Number: 98-75/00-001
Project Cost: \$1,680,343

If there are any problems or questions, please call and we will address them as soon as possible.

Thank you for your cooperation during this the first year of COIT. We look forward to working with you and your department in the future.

With best regards,

COIT Staff

cc: Mr. Stan Jones

Item 6 – File 98-738

Department: Public Utilities Commission (PUC)

Item: Ordinance amending the San Francisco Administrative Code by adding Chapter 84 to provide a procedure for the issuance by the Public Utilities Commission of commercial paper and other short-term indebtedness in anticipation of proceeds from the issuance of previously authorized but unsold Revenue Bonds.

Description: The PUC currently has authorization to issue \$394 million in 30-year Revenue Bonds, including \$90 million in unsold Revenue Bonds for the Clean Water Enterprise projects, authorized by the Board of Supervisors in 1991 and refunded in 1994, and \$304 million for improvement to the City's system of water transmission and distribution, including Water Systems Facilities Revenue Bonds of \$157 million and Safe Drinking Water Revenue Bonds of \$147 million, approved by the voters in November of 1997. According to Mr. Phil Arnold of the PUC, the interest rate on such Revenue Bonds ranges from approximately 5.4 to 5.8 percent.

Mr. Arnold reports that the PUC has requested \$100 million to be expended in their proposed FY 1998-99 budget for the first phase of reconstructing and improving the City's water system, in accordance with purposes for which the Revenue Bonds were approved, as noted above. At the current interest rate of 5.4 percent, the annual interest cost on the full \$100 million of the Revenue Bonds would be approximately \$5.4 million.

The proposed legislation would establish the procedure for the PUC to issue commercial paper and other short-term indebtedness, such as variable rate demand notes, in order to obtain the cash needed to make capital improvements prior to receipt of the proceeds from the sale of the above noted Revenue Bonds. The current interest rate on tax-free commercial paper is approximately 3.8 percent. The annual interest cost for \$100 million of tax free commercial paper would be approximately \$3.8 million, or a savings of approximately \$1.6 million annually in interest costs based on current

interest rates. According to Mr. Steven Carmichael of the PUC, the cost of the interest rate for long-term Revenue Bonds has exceeded the interest rates on short-term commercial paper by an average of two percent for the past ten years.

Currently, Section 9.107 of the Charter authorizes Revenue Bonds to be issued by the PUC and Section 9.113 of the Charter authorizes the PUC to issue commercial paper and other short term indebtedness, subject to approval by the Board of Supervisors. The subject proposed amendment to add Chapter 84 to the Administrative Code would specify the procedure by which the PUC would issue its commercial paper. The commercial paper would be issued in amounts equal to or less than any voter approved amounts for Revenue Bonds. The proposed ordinance would limit the amount of short-term indebtedness to be equal to the outstanding amount of the unused Revenue Bond authorization, and limits the use of the proceeds of the short-term indebtedness to the purposes for which the Revenue Bonds were approved.

Comments:

1. According to Ms. Moyer, commercial paper is a short-term form of indebtedness that is typically issued for 30-, 60-, or 90-days. It is equivalent to a short-term note, but offers the issuer (in this case, the PUC) greater flexibility in management of its cash needs, due to the fact that it can be issued at any time and is not outstanding for a set period of time as are Revenue Bonds. Ms. Moyer notes that municipalities often use commercial paper as a means of financing continuing construction or development projects. It is viewed as bridge financing until permanent financing is issued.

Commercial paper is not a substitute for long-term financing. Ms. Moyer notes that under the proposed PUC plan to issue commercial paper, if no Revenue Bonds were issued to repay the commercial paper, the PUC, and therefore water rate users, would be obligated to pay off the short-term commercial paper upon completion of the construction/improvement program, resulting in higher annual water rate increases during that shorter time period, instead of more even water rate increases spread out over the life of 30-year Revenue Bonds. As such, long-

term, fixed-rate Revenue Bonds are utilized by the City for major construction projects.

The Attachment, provided by Ms. Moyer, describes in detail the benefits and process of issuing commercial paper to be repaid with the subsequent proceeds from the sale of Revenue Bonds. According to Mr. Arnold, the projected schedule for selling bonds to payback commercial paper is two to three years from the initial sale of commercial paper.

2. Mr. Arnold notes the PUC has already selected two teams of commercial paper dealers (also called underwriters) and is currently in the process of selecting a paying agent and a bank letter of credit provider. Mr. Arnold reports that if the proposed legislation is approved, the PUC would issue approximately \$20 million in commercial paper by September of 1998, and thereafter the balance would be issued as needed to certify contracts for the capital improvement program in FY 1998-99.

3. Mr. Arnold reports that the total cost of the PUC's capital improvement programs for the water and cleanwater enterprises is currently estimated at \$2.9 billion, including \$2.3 billion for water and \$600 million for cleanwater, and is scheduled to be completed over the next 10 to 15 years.

4. According to Mr. Dan Daly of the Treasurer's Office, the cost savings estimated by the PUC are accurate as long as the short-term interest rate remains stable. The proposed issuance of commercial paper is similar to the recent issuance of commercial paper by the Airport, except that the Airport has substantial revenues that could be used to pay off commercial paper if the interest rate were to increase.

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5. Mr. Daly reports that commercial paper is not a substitute for long-term indebtedness. Mr. Daly advises that if commercial paper interest rates were to increase, then any estimated savings would be reduced or even eliminated.


Recommendation: Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

OFFICE OF THE MAYOR
SAN FRANCISCO

WILLIE LEWIS BROWN, JR.

INTEROFFICE MEMORANDUM

TO: TAYLOR EMERSON

FROM: MONIQUE MOYER 

SUBJECT: COMMERCIAL PAPER

DATE: MAY 13, 1998

Commercial paper is a short-term form of indebtedness that has been in existence for many years. Tax-exempt commercial paper (i.e., commercial paper issued by a governmental agency) was first issued in 1972 by Virginia Electric Power Company. Congress actually took action in June 1984 to rule that commercial paper (or "CP" as it is commonly called) is in fact a security and not simply the "functional equivalent" of a loan.

Commercial paper is frequently issued by banks and large corporations such as General Electric Capital, Ford Motor Company, etc. Quotes for corporate commercial paper are carried daily in *The Wall Street Journal* for 30-, 60- and 90-day maturities and for tax-exempt commercial paper they are published daily in *The Bond Buyer*. These quotes are listed with other interest rates including Prime, banker's acceptances, municipal bond rates, etc. Commercial paper is often issued by municipalities and as such is tax-exempt, meaning that an investor does not have to pay income taxes on the interest earnings which accrue from investment in CP.

CP has a maximum maturity of 270 days (9 months) but is typically issued for 30-, 60- or 90-days. Upon maturity, CP can be "rolled over," meaning that it is reissued for additional time. However, it is not long-term debt and is therefore not a bond. It is equivalent to a short-term note but offers the PUC (or any other issuer) greater flexibility in management of its cash needs. This is due to the fact that it can be issued at any time and is not outstanding for a set period as is a note.

CP is typically "unsecured" meaning that it is repayable from the general monies of the PUC and no collateral is put up as security. However, CP is almost always backed by a bank line of credit. In the event that the PUC is unable to roll over a maturity or pay a maturity as it becomes due, the bank would be obligated to make the payment. Under the terms of a Bank Letter Agreement, if the Bank paid a PUC obligation, the Bank would have various types of recourse against the PUC. At a minimum, the Bank would consider a draw on the Letter Agreement as a loan which would accrue interest at a steep rate, typically Prime plus one or two points. At a maximum (depending on the nature of the negotiations with the Bank) the Bank could obligate the PUC to

raise fees or reduce expenses until the draw (plus interest) was repaid. At this time, I am not aware that the PUC has selected a Bank nor that any agreement has been drafted.

In the municipal market, CP is typically used as a means of financing continuing construction or development projects. It is viewed as bridge financing until such time as permanent financing is issued. Thus, it is issued to fund construction as it is needed. One of the primary benefits is that the PUC can issue CP as it receives construction invoices. As it issues the CP and the CP matures, the PUC can roll over the CP through the construction period. Upon completion of construction or a phase or phases of construction, the PUC will issue long-term revenue bonds to "take-out" the CP.

You have inquired as to why the PUC would ever consider issuing revenue bonds if CP provides such advantages. First, CP is not intended to be long-term financing and, if no revenue bonds were issued, the PUC (and therefore water rate users) would be hit with a monstrous payment upon completion of the construction/improvement program. So, at some point, long-term, fixed-rate revenue bonds are required to be issued. The benefits of a Plan of Finance which first utilizes CP are as follows:

- 1) Under the terms of the PUC's agreements with the suburban water users, costs associated with capital improvements cannot be passed onto the suburban users until such improvements are in place. Without CP, the PUC would be forced to either begin debt repayment (during the construction years) with monies raised from SF water users or structure their financing with capitalized interest.¹
- 2) Without CP the PUC would likely issue revenue bonds with two to three years of capitalized interest. First and foremost, the voter authorization for the Proposition A & B bonds of last November did not include an expenditure for capitalized interest. This does not prohibit the PUC from utilizing capitalized interest; however, it would reduce the amount of bond proceeds available to deliver the promised improvements. Second, capitalized interest is borrowed at long-term interest rates and repaid over the full life of the bonds (approximately 30 years). While the PUC will still pay interest to investors of CP, such interest accrues at a short-term interest rate. In March, 1998, the Airport issued CP with an 81-day maturity at a interest rate of 3.45%. Interest rates are slightly higher today at approximately 3.70%. However, the weighted average interest rate on the 30-year revenue bonds would be approximately 5.20% - 5.40% today. So, the funds that the PUC will borrow during construction under a CP issuance will generate a smaller amount of interest expense and the ultimate issuance of revenue bonds will therefore result in greater funding of real improvements than would have been the case without the CP.

I hope this information is helpful to you. Should you have further questions, please do not hesitate to call me at 554-4862.

¹ Capitalized interest is money that is borrowed from the proceeds of the bonds to pay interest to investors until such time as full debt repayment begins. This results in a greater borrowing amount and a greater expenditure of bond authorization that does not ultimately produce real property improvements.

Item 7 - File 98-741

Department: Department of Public Health (DPH)
Department of Real Estate (DRE)

Item: Resolution authorizing a new lease of real property at 1380 Howard Street for the Mental Health Division (MHD) of the Department of Public Health

Location: 1380 Howard Street

Purpose of Lease: The proposed lease would consolidate three existing MHD leases, two of which expire on June 30, 1998 and one of which is month-to-month, into one new lease providing the DPH with the same amount of office, training, and storage space as is covered by the three existing leases. According to Ms. Judy Schutzman of the DPH, the same existing programs and staff would remain in their current locations in the building. Additionally, this new lease would increase the rent to current fair market value, and would provide a ten-year term with two five-year extension options.

Lessor: Cort Family Living Trust

Lessee: City and County of San Francisco

No. of Sq. Ft. and Cost Per Month: Approximately 70,300 square feet @ approximately \$1.52 per square foot per month, for a total of \$107,000 per month in base rent. This base rent would be fixed for the 10-year term of the lease. The City would be responsible for increases in specified operating expenses over those of the base year, defined as the initial 12 months of the lease term.

Annual Cost: \$1,284,000 in base rent

Increase Over Previous Lease: The current monthly rent that MHD pays for this space is \$84,327, or \$1,011,924 per year, at \$1.20 per square foot per month based on 70,300 square feet. The proposed monthly rent of \$107,000, or \$1,284,000 per year, at \$1.52 per square foot per month, represents an annual increase of \$272,076, or approximately 27 percent.

Utilities and

Janitor Services: The Landlord would be responsible for all costs of janitorial services. The City would pay for separately metered utilities, including water, electricity, and gas.

Term of Lease: The 10-year lease term would begin on the later of July 1, 1998 or the date of final approval of the proposed lease by the Board of Supervisors and the Mayor, and expire on June 30, 2008.

Right of Renewal: The City would have the option to extend the term for two additional five-year periods at a rental rate equal to 95 percent of the fair market rent. If both options were exercised, the lease term would continue through June 30, 2018. Mr. Steve Alms of the DRE advises that the fair market rent would be determined through negotiations between the City and the lessor.

Source of Funds: Funds to be included in DPH's annual budgets.

Description: As previously noted, the proposed resolution would authorize one new lease to replace three existing leases for 1380 Howard Street. According to Ms. Judy Schutzman of DPH, the Mental Health Division currently leases part of the ground floor, and the entire second, third, fourth, and fifth floors, of the building for DPH programs. Specifically, a storage room and DPH centralized information services training room occupy the ground floor; the DPH Conservator, Mobile Crisis Service staff, and Managed Care Division staff share the second floor; DPH Management and Information Systems staff occupy the third floor; Public Health Division fiscal staff and Community Substance Abuse Services staff share the fourth floor; and MHD senior management staff occupy the fifth floor. The ground floor space consists of 4,600 square feet, while the office space on the second through fifth floors has a usable area of approximately 65,700 square feet. The total square footage is therefore 70,300. According to Ms. Schutzman, these programs and staff would remain in place under the new lease. A total of 317 DPH staff currently work in the building, with an average of 207 square feet of office space per employee, based on the 65,700 square feet of usable office space.

Comments: 1. Based on the Budget Analyst's inquiries to the DRE, this consolidation of three existing leases into one lease

BOARD OF SUPERVISORS
BUDGET ANALYST

constitutes a new lease, rather than an extension and renewal of an existing lease as stated in the proposed resolution.

2. According to Mr. Alms, the Landlord, will make tenant improvements (TI) to the premises, at no cost to the City, pursuant to agreed upon specifications. The tenant improvements include an upgrade of the building's mechanical system, new electrical transformers and outlets, new carpet and paint throughout the building, new exterior paint, partial roof replacement and roof repairs, window repairs, and a new card-based security system. Such improvements are estimated by DRE to cost approximately \$800,000. According to Ms. Schutzman, the TI work will be coordinated to minimize interruption for DPH staff. The lessor is expected to complete the improvements by October 30, 1998.

3. According to Mr. Alms, although there would be an approximately 27 percent increase in the rent under the new lease, the proposed rent of \$1.52 per square foot represents fair market value.

- Recommendations:**
1. Amend the proposed resolution by changing: 1) the resolution's Title Summary from "Extension and Renewal of a Lease..." to "New Lease..."; and 2) the first line of the resolution's Title from "Authorizing an extension and renewal of an existing..." to "Authorizing a new..."
 2. Approve the proposed resolution as amended.

Item 8 - File 98-742

Department: Department of Human Services (DHS)
Department of Real Estate (DRE)

Item: Resolution authorizing a new lease of real property at 965 Mission Street for the DHS

Location: 965 Mission Street

Purpose of Lease: To operate an employment assistance center for General Assistance (GA) recipients under the DHS's Work Public Assistance Employment Services (Work PAES) program.

Lessor: Abolfath Hosseinioun and Shahdeh Shooshtary

Lessee: City and County of San Francisco

No. of Sq. Ft. and Cost Per Month: 7,800 square feet @ approximately \$1.53 per square foot per month, for a total of \$11,934 per month. According to the lease, the rent would increase three percent (3%) per year during the term of the lease and the extension period, if the option were exercised. There would be no expense pass-throughs included in the proposed lease.

Annual Cost: \$143,208

Utilities and Janitor Services: The lessor would provide all utilities and janitorial services at no expense to the City.

Term of Lease: The lease would commence on the later of the date of completion of tenant improvements, which is currently expected to occur in August of 1998, or upon approval by the Board of Supervisors and the Mayor, and would expire five years thereafter.

Right of Renewal: The City would have the option to extend the term for one additional option period of five years at 95 percent of the fair market rent. Mr. Steve Hoppe of the DRE advises that the fair market rent would be determined through mutual negotiations between the City and the lessor.

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Source of Funds: 37.5% Federal Grant funds and 62.5% General Fund to be included in DHS's annual budgets.

Description: According to Mr. Patrick Duterte of the DHS, the proposed lease would provide space for DHS staff to operate an employment assistance center for General Assistance (GA) recipients under the Work PAES program. Work PAES is one of the main components of San Francisco's welfare reform efforts. GA recipients who are employable and have successfully completed three months of workfare activities will be referred to PAES for extensive employment assistance services, including six days of classroom training and access to telephones, computers, and group activities. According to Mr. Duterte, DHS staff are expected to serve 175 GA recipients at any one time, and an estimated total of 1,300 in Fiscal Year 1998-99. The goal of the program is to find unsubsidized private employment for at least 70% of these GA recipients.

According to Mr. Duterte, 10.6 FTE DHS staff members would work in the leased space. Of these staff, 7.6 FTEs were authorized by the Board of Supervisors and hired by DHS in April and May of 1998, including one supervisor, three trainers, two clerks, and two 0.8 FTE public service aides (PSA). The 7.6 FTEs are temporarily working at DHS's other new employment center, located at 30 Van Ness Avenue, until approval of the proposed lease and completion of the proposed tenant improvements, which are expected to be done by August of 1998. Three additional trainers have been requested in DHS's 1998-99 budget, for a total staff of 10.6 FTEs.

According to Mr. Duterte, the leased space will be reconfigured to include three classrooms, one "network center", and cubicles for the 10.6 FTE DHS staff. Of the total 7,800 square feet, approximately 1,800 square feet will be used for DHS staff, for an average of approximately 163 square feet per employee.

Comments: 1. According to Mr. Hoppe, the lessor will make tenant improvements to the premises, at no cost to the City, pursuant to agreed upon specifications. These improvements would involve a total reconfiguration of the existing floor plan to accommodate the needs of the PAES program. Mr.

BOARD OF SUPERVISORS
BUDGET ANALYST

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Hoppe was unable to estimate the cost of such improvements at this time. According to Mr. Hoppe, the lessor is expected to complete the tenant improvements by August of 1998.

2. According to Mr. Hoppe, the proposed rent of \$1.53 per square foot represents fair market value.

Recommendation: Approve the proposed resolution.

Item 9 - File 98-749

Department: Airport Commission

Item: Resolution authorizing the Airport Commission to enter into an agreement with the State Department of Transportation for the following State programs, for the purpose of obtaining State and Federal reimbursements: (1) Seismic Safety Retrofit Program; (2) Highway Bridge Replacement and Rehabilitation (HBRR) Program; and (3) Bridge Inspection Program; and to accept such reimbursement funds for projects covered by these programs.

Description: The proposed resolution would authorize the Airport Commission to enter into an agreement with the State Department of Transportation to participate in three State-operated programs which provide reimbursement to municipalities for costs associated with renovations and seismic retrofitting of bridges and related structures. The three State programs are: (1) the Seismic Safety Retrofit Program; (2) the Highway Bridge Replacement and Rehabilitation Program; and (3) the Bridge Inspection Program.

According to the Airport, participation in these three programs would enable the Airport to receive State and Federal grant monies which are administered by the State for expenditures incurred by the Airport for three planned projects: (1) seismic retrofitting of a pedestrian overpass, (2) replacement of certain roadway guardrails at the Airport, and (3) an Airport bridge inspection program. In addition to authorizing the Airport to enter into an agreement with the State to participate in the three State programs and therefore obtain reimbursement for the three projects, approval of the proposed resolution would authorize the Airport to apply for, accept, and expend such reimbursement funds.

The three State programs, and the three Airport projects which would be funded through these programs, are described below:

Seismic Safety Retrofit Program: The Seismic Safety Retrofit Program funds the retrofitting of structures to bring them into compliance with State seismic safety criteria. Under the Seismic Safety Retrofit Program, bridges at the San Francisco International Airport on the State's Bridge Eligibility List¹ that, after a preliminary analysis performed by the Airport, meet certain seismic safety criteria, are eligible for State and Federal funding for 100 percent of the retrofit costs. Bridges located at the Airport that do not meet the seismic safety criteria qualify for 88.53 percent State and Federal funding. The Airport would fund the remaining 11.47 percent of the retrofit cost. Mr. Ernie Eavis of the Airport advises that the Airport plans to retrofit a pedestrian overpass which spans the Airport parking garage and the United Airlines terminal. Mr. Eavis reports that it is expected that the pedestrian overpass project will be 100 percent eligible for State and Federal reimbursement under the program.

Highway Bridge Replacement and Rehabilitation (HBRR) Program: Under the HBRR Program, any necessary barrier rail (guardrail) replacement work to be performed on bridges or related structures located at the Airport that are on the Bridge Eligibility List, is eligible for 88.53 percent State and Federal funding, with the remaining 11.47 percent funded by the Airport. Bridge replacement and rehabilitation work other than barrier rail replacement is qualified for 80 percent State and Federal funding, with the remaining 20 percent funded by the Airport. Mr. Eavis states that the Airport plans to replace guardrails located along roadways at the Airport under this program.

Bridge Inspection Program: Under the Bridge Inspection Program, the entire cost of inspecting bridges and related structures located at the Airport which are on the Bridge Inspection List are eligible for 100 percent State and Federal reimbursement. Mr. Eavis states that the Airport plans to conduct ongoing inspections of the Airport's bridge structures which are on the State's Bridge Inspection List. According to Mr. Eavis, in the

¹ According to the Airport, the State Department of Transportation's Bridge Eligibility List is a list of bridges and related structures which are evaluated based upon certain criteria including date of construction, volume of traffic, and the bridge building codes in effect at the time of construction.

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past, such inspection services have been performed by State personnel, however the State now plans to train Airport staff to take over responsibility for the inspections and will reimburse the Airport for related costs.

Comments:

1. Mr. Eavis has provided the Budget Analyst with the following estimated reimbursements that the Airport would receive, in Federal and State grant monies, from the State Department of Transportation, under the three programs:

Seismic Safety Retrofit Program	
(retrofit of pedestrian overpass)	\$ 200,000
Highway Bridge Replacement and Rehabilitation	
Program (roadway guardrail replacement)	1,000,000
Bridge Inspection Program – initial annual costs	
(inspection of Airport bridge structures on the	
State's Bridge Inspection List)	8,000
Total	<u>\$1,208,000</u>

2. According to Mr. Eavis, in 1992 the Board of Supervisors approved a similar agreement between the Airport and the State Department of Transportation to participate in the Seismic Safety Retrofit Program in order to receive reimbursement for seismic retrofitting and related work for the upper level roadway that encircles the Airport's parking garage. According to Mr. Eavis, this project, estimated to cost between \$14 million and \$20 million, has not yet begun and therefore, to date, no reimbursement funds have been received by the Airport.

Recommendation: Approve the proposed resolution.

Item 10 - File 98-755

Department: Department of Human Resources (DHR)

Item: Hearing to consider the release of reserved funds for the Department of Human Resources, in the amount of \$75,000, to amend an existing contract with an outside contractor providing data entry and claims processing services for the City's Health Services System (HSS).

Amount: \$75,000

Source of Funds: Monies reserved in the DHR's FY 1997-98 budget for Other Current Expenses

Description: The Board of Supervisors reserved \$75,000 in the DHR's FY 1997-98 Budget for a professional services contract pending completion of a competitive bid process, selection of a contractor, and submission of cost details.

The Department is now requesting release of the reserved funds to amend an existing contract with an outside contractor, Pro-Temps Professional Personnel, LLC (Pro-Temps), to provide data entry and claims processing personnel to assist HSS in: 1) eliminating the backlog of medical claims on the City Health Plan; and 2) completing the Open Enrollment process by which City employees and retirees choose one of four health insurance plans.

The first project involves the reduction of a backlog of medical claims for payment from the City Health Plan. These medical claims are filed by health care providers who provide services to members of the City Health Plan. According to Mr. Fred Howell of DHR, as of January of 1998, a backlog of 73,000 such claims existed due to increased membership in the City Health Plan, inefficient processing techniques, and understaffing in HSS's claims processing unit. According to Mr. Howell, as of May 15, 1998, although the backlog of claims filed by health care providers who provide medical services to members of the City Health Plan has been reduced substantially to 4,000 claims, final disposition of the outstanding claims remains a priority of the DHR. With the use of Pro-Temps staff, Mr. Howell anticipates that the administrative steps required to

eliminate the claims backlog will be completed by May 29, 1998.

The second project involves the use of Pro-Temps to assist HSS staff to complete the Open Enrollment process, whereby, according to Mr. Howell, approximately 54,000 people, including current City employees as well as retirees, choose their health insurance plans. In addition to the City Health Plan, health insurance plan choices include Kaiser Foundation Health Plan, Health Net, and PacifiCare (Secure Horizons). According to Mr. Howell, the open enrollment process for Fiscal Year 1998-99 occurs during May of 1998, with all adjustments, confirmations, and related administrative functions to be completed by June 30, 1998.

Comments:

1. Pro-Temps was selected by DHR to provide temporary staff to assist the HSS in reducing the backlog of claims filed by health care providers who provide medical services to members of the City Health Plan and in completing the Open Enrollment process, whereby City employees and retirees choose their health insurance plans. The specific duties to be performed by Pro-Temps include processing of medical claims payments and health insurance plan enrollment forms, coding medical diagnoses and procedures, and reviewing claimants' eligibility.

2. According to Mr. Howell, the outside contract was put out to bid by the City Purchaser. According to Mr. Howell, DHR selected Pro-Temps based on its low bid in addition to its qualifications and compliance with City contracting requirements. The following table summarizes Pro-Temp's estimated hourly rates and total hours for the \$75,000 in reserved funds:

	Average Hourly Rates	Estimated Total Hours	Estimated Total Costs
<u>Consultant</u>			
Pro-Temps Professional Personnel, LLC	\$25.34	2,960	\$75,000

3. According to Mr. Howell, Pro-Temps will provide 2,960 hours of service, which is approximately equal to 22 FTEs for the period beginning May 20, 1998 and ending June 30, 1998. Of the 2,960 total hours, an estimated 736 hours

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would be expended in completing the claims backlog project, and an estimated 2,224 hours would be expended in completing the Open Enrollment project.

Recommendation: Release the requested \$75,000 in reserved funds.

Item 11 - File 98-422

Item: Ordinance amending Article I of the San Francisco Administrative Code by amending Section 16.6-29 to add certain organizations to the membership list of the Employees' Retirement System.

Description: Article I, Section 16.6-29 of the San Francisco Administrative Code currently provides a membership list of 16 organizations for the Employees' Retirement System. According to Ms. Clare Murphy of the Employees' Retirement System, the organizations on that membership list include five memberships related to Workers Compensation matters. However, when the Workers Compensation Division became a division of the Department of Human Services (DHS) on January 1, 1995, the membership list of the Employees' Retirement System was not corrected to delete the five organizations that pertain to the Workers Compensation matters, which is no longer under the responsibility of the Employees' Retirement System.

Therefore, the proposed ordinance would amend Article I, Section 16.6-29 of the San Francisco Administrative Code by deleting five organizations from the membership list of the Employees' Retirement System which pertain to Workers Compensation matters, including: (a) the California Self-Insurers Association; (b) the Council Self-Insured Public Agencies; (c) the Industrial Claims Association; (d) the Institute of Charter Financial Analysts; and (e) the Insurance Education Association.

The proposed ordinance would also delete one organization, the Institute of Chartered Financial Analysts and Security Analysts of San Francisco, to be replaced with the successor organization, the Association of Investment Management & Research. According to Ms. Murphy, this organization establishes the Code of Ethics and Standards of Professional Conduct for professionals in the investment area and applies to the Employees Retirement System.

In addition to deleting the five memberships relating to Worker Compensation matters, which no longer apply to the Employees Retirement System, and deleting and replacing one organization, which applies to the Employees Retirement System, the proposed ordinance would also add six new

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organizations to the membership list of the Employees Retirement System, for a total of 17 memberships. The six new memberships to be added include: (a) the American Academy of Actuaries; (b) the Investment Management Consultant Association; (c) the National Association of Government Deferred Compensation Administration; (d) the National Association of Public Pension Attorneys; (e) the Pension Real Estate Association; and (f) the Society of Plan Sponsors.

Excluding the five memberships pertaining to Workers Compensation matters, which no longer applies to the Employees Retirement System, the Employees Retirement System is presently a member of 11 other organizations at an annual cost of \$20,300. The Attachment prepared by the Employees Retirement System includes a listing of the 11 organizations which the Department is presently a member, and the costs of those memberships, as well as a list of the proposed six new organizations, including the cost for each of the six new memberships and the benefits to be obtained by being a member of each of the proposed six new organizations. The six new memberships in total will cost \$1,825. Therefore, this legislation, if approved, would result in total annual membership costs to the Employees Retirement System of \$22,125.

Comments:

1. Ms. Murphy reports that all of the proposed membership fees, except one, are paid out of the Trust Assets of the City's Pension Fund. The one exception is the National Association of Government Deferred Compensation Administration, which is a new membership, to be paid out of the Employees' Retirement System's Deferred Compensation Administration Program and Investment Program.

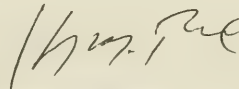
2. According to Ms. Murphy, the Trust Assets and the Deferred Compensation Investment Program budgets for the City, excluding personnel costs, are not subject to the approval of the Mayor and the Board of Supervisors, but rather are subject to the approval of the Retirement Board. Ms. Murphy advises that the Retirement Board has already approved the proposed new expenses for the FY 1998-99 budget, which includes the \$1,825 for the proposed six new membership fees, which will result in total annual membership fees of \$22,125.

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3. The purpose of this legislation is simply to amend the City's Administrative Code in order that the Administrative Code is consistent with the existing and proposed memberships for the Employees Retirement System. As reflected in the Attachment, the Employees Retirement System is already a member of 11 of the 17 organizations. Approval of this ordinance would authorize the Employees Retirement System to obtain membership in the six proposed new organizations.

Recommendation: Approve the proposed ordinance.



Harvey M. Rose

cc: Supervisor Teng
President Kaufman
Supervisor Newsom
Supervisor Ammiano
Supervisor Bierman
Supervisor Brown
Supervisor Katz
Supervisor Leno
Supervisor Medina
Supervisor Yaki
Supervisor Yee
Clerk of the Board
Controller
Gail Feldman
Matthew Hymel
Stephen Kawa
Ted Lakey

Attachment
Page 1 of 2

Attachment 1

**Representation of City and County in Certain Organizations -
Employees' Retirement System**

The Retirement Board has determined that the following organizations provide necessary services and professional support and/or standards for the investment, actuarial and management staffs of the San Francisco Employees' Retirement System. The italicized items include six new and one renamed organization.

Annual Fee	Organization	Existing Fees
\$ 180.00	<ul style="list-style-type: none"> ▪ <i>The American Academy of Actuaries**</i> ▪ <i>Association of Investment Management & Research *</i> ▪ California Association of Public Retirement Systems ▪ Conference of Actuaries in Public Practice ▪ Council of Institutional Investors ▪ Employee Benefit Research Institute ▪ Government Finance Officers' Association ▪ International Foundation of Employee Benefit Plans, Inc. 	<ul style="list-style-type: none"> \$ 1,925.00 \$ 750.00 \$ 300.00 \$13,000.00 \$ 1,750.00 \$ 600.00 \$ 550.00
\$375.00	▪ <i>Investment Management Consultant Association**</i>	
\$400.00	▪ <i>National Association of Government Deferred Compensation Administration***</i>	
\$295.00	<ul style="list-style-type: none"> ▪ <i>National Association of Public Pension Attorneys**</i> ▪ National Conference of Public Employee Retirement Systems 	<ul style="list-style-type: none"> \$ 500.00
\$300.00	<ul style="list-style-type: none"> ▪ <i>Pension Real Estate Association**</i> ▪ Pensions West ▪ Society of Actuaries 	<ul style="list-style-type: none"> \$ 350.00 \$ 375.00
\$275.00	<ul style="list-style-type: none"> ▪ <i>Society of Plan Sponsors**</i> ▪ Western Pension Conference 	<ul style="list-style-type: none"> \$ 200.00
\$ 1,825.00	<ul style="list-style-type: none"> ▪ Total 	\$ 20,300.00
	<ul style="list-style-type: none"> ▪ Grand total 	\$ 22,125.00

* Substitute for existing organization due to name change, funded by SFERS Trust

** New organization investment/actuarial, funded by SFERS Trust

*** New Organization deferred compensation, funded by Deferred Compensation budget

New Organization Rationales

Following are brief summaries of the benefits and features of each organization:

The American Academy of Actuaries provides necessary professional association for the staff actuary of SFERS, ensuring the availability of current standards and methodologies to be applied to the actuarial costing of the plan.

Association of Investment Management & Research is the successor organization encompassing the Institute of Chartered Financial Analysts and Security Analysts of San Francisco, which establishes the Code of Ethics and Standards of Professional Conduct for professionals in the investment area.

Investment Management Consultants Association provides access to the latest analytical techniques and methodologies for the investment professionals responsible for review of investment manager performance.

National Association of Government Deferred Compensation Administrators provides SFERS with networking contacts and legislative tracking of the Internal Revenue Code Section 457 revisions and updates in the administration of deferred compensation programs.

National Association of Pension Attorneys provided educational opportunities and informational resources for SFERS attorneys. The association specializes in issues relating to legal problems and challenges for public pension plans.

Pension Real Estate Association provides professional networking and liaison for the staff charged with oversight of the SFERS real estate investments, as well as educational opportunities.

The Society of Plan Sponsors provides research regarding market trends, benchmarking and best practices updates and a network of contacts and colleagues among pension plan sponsors.

REVISED May 19, 1998

Items 3 and 4 – Files 98-733 and 98-739

DOCUMENTS DEPT.

MAY 20 1998

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Department: Public Transportation Commission (PTC)
Municipal Railway (MUNI)

Item: File 98-733: Ordinance appropriating \$72,439 from the General Fund Reserve to fund nine new positions to extend the hours of operations of the Telephone Information Center and the Passenger Service Unit at the Municipal Railway.

File 98-739: Ordinance amending the FY 1997-98 Annual Salary Ordinance to reflect the creation of nine new positions in the Municipal Railway.

Amount: \$72,439

Source of Funds: General Fund Reserve

Description: The proposed ordinance, File 98-733, would authorize a supplemental appropriation in the amount of \$72,439 to fund the salaries and fringe benefits for nine new positions, of which five Transit Information Clerks would be assigned to MUNI's Telephone Information Center, three Transit Information Clerks would be assigned to the Passenger Services Unit, and one Senior Transit Information Clerk position would float as needed between the Telephone Information Center and the Passenger Services Unit to supervise the Transit Information Clerks in both units.

The Telephone Information Center has 11 existing employees that provide schedule and route information to passengers over the telephone. The Passenger Services Unit has four existing employees that accept complaints and commendations over the telephone about MUNI employees and services.

File 98-739 would amend the FY 1997-98 Annual Salary Ordinance by creating nine new positions as follows:

<u>Positions</u>	<u>Class</u>	<u>Title</u>	<u>Step 1</u>	<u>Step 5</u>
8	9122	Transit Information Clerk	\$1,365-35,627	\$1,654-43,169
<u>1</u>	9124	Sr. Transit Information Clerk	1,433-37,401	1,736-45,310
9		Total		

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The annual cost of the requested nine new positions would range from \$396,568 at Step 1, including salaries of \$322,413 and fringe benefits of \$74,155, to \$480,518 at Step 5, including salaries of \$390,665 and fringe benefits of \$89,853.

According to MUNI, the subject nine new positions would increase the staff levels and hours of telephone operations of both the Telephone Information Center and the Passenger Services Unit, which will increase the availability of information services provided to MUNI customers, allow riders and other citizens to more easily report complaints and commendations, and allow staff to respond to and resolve complaints in a more timely manner. Attachment 1, provided by MUNI, shows 9122 Transit Information Clerk staffing levels currently assigned to the Telephone Information Center and the Passenger Services Unit, and the current days and hours of service. Attachment 2 shows the proposed staffing levels and days and hours of service for the Telephone Information Center and the Passenger Services Unit.

The current hours of operation in the Telephone Information Center are 7am to 5pm on weekdays and 9am to 5pm on weekends, with an existing staff of 11 positions. The proposed hours of operation for the Telephone Information Center are 6am to 10pm on weekdays and 8 am to 6pm on weekends, thereby adding six more hours of service on each weekday, or a total of 30 more weekday hours, and two more hours of service on both Saturday an Sunday, thereby adding a total of four more hours on weekends. In total, operation of the Telephone Information Center would be increased by 34 hours per week, from 66 hours to 100 hours, or an increase of 51.5 percent. The proposed staffing levels of the Telephone Information Center would increase by five new positions, from 11 existing positions to a total of 16 positions, or an increase of approximately 45 percent.

The current hours of operation in the Passenger Services Unit are 9am to 7:30pm on weekdays with an existing staff of four positions. The Passenger Services Unit is closed on weekends. The proposed hours of

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operation for the Passenger Services Unit are 7am to 7pm on weekdays and 9am to 5pm on weekends, thereby adding a total of two and a half hours on each weekday, or a total of 12 additional weekday hours and adding eight hours on both Saturday and Sunday, thereby adding a total of 16 hours on weekends. In total, the proposed hours of operation at the Passenger Services Unit would be increased by 28 hours per week, from 50 hours to 78 hours, or an increase of 56 percent. The proposed staffing levels of the Passenger Services Unit would increase by three new positions, from four existing positions to a total of seven positions, or an increase of 75 percent.

Budget:

Below is a summary of the budget for the subject supplemental appropriation of \$72,439 for the period of May 1, 1998 through June 30, 1998:

Salaries	\$58,894
Fringe Benefits	<u>13,545</u>
Total	\$72,439

Attachment 3, provided by MUNI, is a detailed budget for the subject supplemental appropriation.

Comments:

1. This proposed supplemental appropriation for \$72,439 was calculated using May 1, 1998 as the start date for the nine new positions. However, the earliest start date that MUNI would be able to make appointments is June 4, 1998. Therefore, funding for Permanent Salaries should be reduced by \$31,502 and funding for Fringe Benefits should be reduced by \$7,245, for a total reduction of \$38,747, resulting in a need of \$33,692.

2. According to Ms. Sharyn Saslafsky of MUNI, the call volume of the Telephone Information Center and the Passenger Services Unit, as shown in Attachment 4 provided by MUNI, warrants increased staffing levels and extended hours. To date in FY 1997-98 in the Telephone Information Center, the average number of abandoned calls (defined as callers who call during hours of operation but who hung up while waiting on hold, before being answered) is 1,935 per month. The number of after hours calls (defined as callers who call outside the regular hours

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of operation) ranged from a low of 5,629 in December of 1997 to a high of 10,917 in September of 1997.

In the Passenger Services Unit, to date in FY 1997-98, the average number of abandoned calls is 195 per month. The number of after hours calls per month ranged from a low of 234 in December of 1997 to a high of 412 in November of 1997.

3. Telephone Information Center

Currently, after hours calls to the Telephone Information Center are greeted with a recording that provides the hours of operation, a description of late night and owl service, plus transportation information tailored to current events (e.g., in the Spring, the message includes directions on how to get to Candlestick Park). As shown in Attachment 4, the average number of calls during hours of operation is 30,729 per month. The average number of after hours calls is approximately 6,995 per month, or approximately 18.5 percent of the total calls received. As also shown in Attachment 4, the average of total calls answered is approximately 76 percent.

Using the statistics provided by MUNI in Attachment 4, the Budget Analyst calculates the average number of calls answered during one, eight-hour shift in the Telephone Information Center to be approximately 113 calls per position ($1,241 \text{ average daily calls} \div 11 \text{ existing positions}$). As such, to increase staffing levels during the current hours of operation in order to answer the monthly average of 1,935 abandoned calls, MUNI would have to add 0.57 FTE ($1,935 \div 30 \text{ days per month} \div 113 \text{ calls per position}$). To answer the monthly average of 6,995 calls made after-hours, MUNI would have to add 2.06 FTE ($6,995 \div 30 \text{ days per month} \div 113 \text{ calls per position}$). In total, to improve the answer rate in the Telephone Information Center, MUNI would have to add approximately 2.63 FTEs. Given attrition and absence, a maximum of 4 new positions would be needed in the Telephone Information Center. As such, the number of the requested new 9122 Transit Information Clerks positions for assignment to the Telephone Information Center should be reduced by one, from five to four new positions.

4. Passenger Services Unit

Currently, after hours calls to the Passenger Services Unit are greeted with a recording that provides the hours of operation, and callers are given the opportunity to leave a message that is returned the next business day by a staff member. As shown in Attachment 4, the average number of calls during hours of operation is 1,820 per month. The average number of after hours calls is 333 per month, or approximately 15.7 percent of the total calls received. As also shown in Attachment 4, the average of total calls answered is approximately 77 percent.

Using the statistics provided by MUNI in Attachments 1 and 4, the Budget Analyst calculates the average number of calls answered during one, eight-hour shift in the Passenger Services Unit to be approximately 25.5 calls per position ($102 \text{ average daily calls} \div \text{four existing positions}$). As such, to increase staffing levels during the current hours of operation in order to answer the monthly average of 196 abandoned calls, MUNI would have to add 0.26 FTE ($196 \div 30 \text{ days per month} \div 25.5 \text{ calls per position}$). To answer the monthly average of 333 calls made after-hours, MUNI would have to add 0.44 FTE ($333 \div 30 \text{ days per month} \div 25.5 \text{ calls per position}$). In total, to improve the answer rate in the Passenger Services Unit, MUNI would have to add approximately 0.7 FTEs. Given attrition and absence, a maximum of 2 new positions would be needed in the Passenger Services Unit. As such, the number of requested new 9122 Transit Information Clerk positions assigned to the Passenger Services unit should be reduced by one, from a request of three to two new positions.

5. According to Mr. Alan Siegal of MUNI, the current supervisor-to-staff ratio of Senior Transit Information Clerks to Transit Information Clerks is 3.75. Under the proposed new staff positions, the supervisor-to-staff ratio would be 4.6. In the professional judgement of the Budget Analyst, one additional 9124 Senior Transit Information Clerk is not needed. If all eight of the requested Transit Information Clerk positions are approved, the supervisor to staff ratio would be 5.75. If the recommended reductions described in Comments Nos. 3 and 4 are approved, thereby authorizing six new 9122 Transit

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Information Clerk positions instead of eight positions and no new 9124 Senior Transit Information Clerk positions, then the new supervisors-to-staff ratio would be 5.25, which in the professional judgement of the Budget Analyst would provide for an adequate level of supervisors.

6. As previously noted, the proposed hours for the Passenger Services Unit would increase the weekly hours of operation by 28 hours, but the weekday service, which currently operates until 7:30pm would end at 7pm in the proposed schedule, or one-half hour less evening service than is currently provided. According to Ms. Saslafsky, the reason for shortening the evening hours is that such a change is indicated by an analysis of the hourly call volume, which shows there is less of a demand for the Passenger Services Unit in the evening than there is in the morning. Currently, weekday hours begin at 9am. The proposed hours of operation would begin weekday service at 7am.

7. A summary of the Budget Analysts recommended reductions is as follows:

<u>Category</u>	<u>Requested</u>	<u>Recommended</u>	Budget Analyst <u>Recommended</u>
	<u>Amount</u>	<u>Amount</u>	<u>Savings</u>
Permanent Salaries	\$58,894	\$20,852	\$38,042
Fringe Benefits	<u>13,545</u>	<u>4,795</u>	<u>8,750</u>
Totals	\$72,439	\$25,647	\$46,792

Recommendations:

1. In accordance with Comments Nos. 3 and 4, amend the proposed amendment to the Annual Salary Ordinance, File 98-739, by reducing the new 9122 Transit Information Clerk positions by a total of two, from a request of eight to six new 9122 Transit Information Clerks, and deny the request for one new 9124 Senior Transit Information Clerk. The Budget Analyst recommends approval of six new 9122 Transit Information Clerks and no new 9124 Senior Transit Information Clerks (File 98-739).

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2. Amend the proposed supplemental appropriation to delete the three positions cited in Recommendation No. 1 above and to reflect the actual start date of the recommended six new positions by reducing funding for Permanent Salaries by \$38,042 and reducing funding for Fringe Benefits by \$8,750, for a total reduction of \$46,792, resulting in a need of \$25,647 (File 98-733).

**Departmental
Response:**

Attachment No. 5 is the response from the Director of MUNI Communications to this report. Based on MUNI's response, the Budget Analyst's recommendations remain unchanged.

San Francisco Municipal Railway
Telephone Information Center & Passenger Service Unit
Current
Hours of Operation &
9122 Transit Information Clerk Staffing Level

	<u>Saturday</u>	<u>Sunday</u>	<u>Monday</u>	<u>Tuesday</u>	<u>Wednesday</u>	<u>Thursday</u>	<u>Friday</u>
	<u>TIC / PSU</u>	<u>TIC / PSU</u>	<u>TIC / PSU</u>	<u>TIC / PSU</u>	<u>TIC / PSU</u>	<u>TIC / PSU</u>	<u>TIC / PSU</u>
6am-7am	/	/	/	/	/	/	/
7am-8am	/	/	3 /	3 /	3 /	3 /	3 /
8am-9am	/	/	4 /	5 /	5 /	5 /	4 /
9am-10am	4 /	4 /	9 / 3	10 / 3	9 / 3	10 / 3	9 / 3
10am-11am	4 /	4 /	9 / 3	10 / 3	9 / 3	10 / 3	9 / 3
11am-12pm	4 /	4 /	9 / 3.5	10 / 3.5	9 / 3.5	10 / 3.5	9 / 3.5
12pm-1pm	4 /	4 /	9 / 4	10 / 4	9 / 4	10 / 4	9 / 4
1pm-2pm	4 /	4 /	9 / 4	10 / 4	9 / 4	10 / 4	9 / 4
2pm-3pm	4 /	4 /	9 / 4	10 / 4	9 / 4	10 / 4	9 / 4
3pm-4pm	4 /	4 /	6 / 4	7 / 4	6 / 4	7 / 4	6 / 4
4pm-5pm	4 /	4 /	5 / 4	5 / 4	4 / 4	5 / 4	5 / 4
5pm-6pm	/	/	/ 1	/ 1	/ 1	/ 1	/ 1
6pm-7pm	/	/	/ 1	/ 1	/ 1	/ 1	/ 1
7pm-8pm	/	/	/ 0.5	/ 0.5	/ 0.5	/ 0.5	/ 0.5
8pm-9pm	/	/	/	/	/	/	/
9pm-10pm	/	/	/	/	/	/	/

Telephone Information Center:

- Current Hours of Operation are 7 am to 5 pm on weekdays and 9 am to 5 pm on weekends.
- Current level of staffing is 11 - 9122 Transit Information Clerks
- Proposed hours of operation are 6 am to 10 pm on weekdays and 8 am to 6 pm on weekends
- Proposed level of staffing is 16 - 9122 Transit Information Clerks

Passenger Service Unit:

- Current Hours of Operation are 9:00 am to 7:30 pm on weekdays and closed on weekends.
- Current level of staffing is 4 - 9122 Transit Information Clerks
- Proposed hours of operation are 7 am to 7 pm on weekdays and 9 am to 5 pm on weekends
- Proposed level of staffing is 7 - 9122 Transit Information Clerks

San Francisco Municipal Railway
Telephone Information Center & Passenger Service Unit
Proposed
Expanded Hours of Operation &
Increased 9122 Transit Information Clerk Staffing Level

	<u>Saturday</u>	<u>Sunday</u>	<u>Monday</u>	<u>Tuesday</u>	<u>Wednesday</u>	<u>Thursday</u>	<u>Friday</u>
	<u>TIC / PSU</u>	<u>TIC / PSU</u>	<u>TIC / PSU</u>	<u>TIC / PSU</u>	<u>TIC / PSU</u>	<u>TIC / PSU</u>	<u>TIC / PSU</u>
6am-7am	/	/	3 /	3 /	3 /	3 /	3 /
7am-8am	/	/	4 / 1	4 / 1	4 / 1	4 / 1	4 / 1
8am-9am	2 /	2 /	7 / 2	6 / 2	5 / 2	6 / 2	7 / 2
9am-10am	3 / 1	3 / 1	9 / 4	7 / 4	6 / 4	8 / 4	9 / 4
10am-11am	5 / 1	5 / 1	12 / 5	9 / 5	7 / 5	10 / 5	12 / 5
11am-12pm	5 / 1	5 / 1	12 / 6	9 / 7	7 / 7	10 / 7	12 / 6
12pm-1pm	5 / 1	5 / 1	12 / 6	9 / 7	7 / 7	10 / 7	12 / 6
1pm-2pm	5 / 1	5 / 1	12 / 6	9 / 7	7 / 7	10 / 7	12 / 6
2pm-3pm	5 / 1	5 / 1	12 / 6	9 / 7	7 / 7	10 / 7	12 / 6
3pm-4pm	5 / 1	5 / 1	11 / 5	8 / 6	6 / 6	9 / 6	11 / 5
4pm-5pm	3 / 1	3 / 1	8 / 4	6 / 5	5 / 5	7 / 5	8 / 4
5pm-6pm	2 /	2 /	6 / 2	5 / 3	4 / 3	5 / 3	6 / 2
6pm-7pm	/	/	3 / 1	3 / 1	3 / 1	3 / 1	3 / 1
7pm-8pm	/	/	3 /	3 /	3 /	3 /	3 /
8pm-9pm	/	/	3 /	3 /	3 /	3 /	3 /
9pm-10pm	/	/	3 /	3 /	3 /	3 /	3 /

Telephone Information Center:

- Current Hours of Operation are 7 am to 5 pm on weekdays and 9 am to 5 pm on weekends.
- Current level of staffing is 11 - 9122 Transit Information Clerks
- Proposed hours of operation are 6 am to 10 pm on weekdays and 8 am to 6 pm on weekends
- Proposed level of staffing is 16 - 9122 Transit Information Clerks

Passenger Service Unit:

- Current Hours of Operation are 9:00 am to 7:30 pm on weekdays and closed on weekends.
- Current level of staffing is 4 - 9122 Transit Information Clerks
- Proposed hours of operation are 7 am to 7 pm on weekdays and 9 am to 5 pm on weekends
- Proposed level of staffing is 7 - 9122 Transit Information Clerks

CALCULATION FOR FY 1997-98 SUPPLEMENTAL: Communications TIC & PSR

A TELEPHONE INFORMATION CENTER

class	# pos	biweekly	hly rate	# PP 5/2-6/30	Sals	Fringes	HP (1 day) x 1.5	HP fringes @23%
5/12(step 1)	5	1365	17 0625	43	\$ 28,348	6,750	\$ 1,024	236
5/12(step 5)	1	1738	21,7000	43	\$ 7,485	1,717	\$ 260	80
								\$ 9,502
TIC Additional Premium					\$ 36,812	\$ 8,467	\$ 1,284	295
								\$ 46,859
5/122	step 5**	hly rate	prem hrs	8% prem	Fringes	HP prem	HP fringes	
	1854	22 675	43 pp	per pp				
5/124	1736	21,700	275	1494	344	447	103	2,386
				478	110	156	36	780
B PASSENGER SERVICE UNIT				\$ 1,971	\$ 453	\$ 603	\$ 139	\$ 60,026 TOTAL TIC
	# pos	step 1 biweekly	# PP	Sals	Fringes	HP (1 day) x 1.5	HP fringes 23%	
5/122	3	1365	43	\$ 17,609	\$ 4,050	\$ 614	\$ 141	\$ 22,414 TOTAL PSU

Char.
OO1 Subobject
OO100 Salaries - Misc \$ 64,422
OO301 Premium pay \$ 1,971
C1201 Holiday Pay \$ 2,501
Total OO1 \$ 68,894
Char
C13 Misc Fringe 13,545
Total Salaries & Fringes \$ 72,439

SUPPLEMENTAL REQUEST

\$ 72,439

* Step 5 used since position is expected to be filled by promotional appl.
** Step 5 used as premium shifts may be filled by existing employees with seniority.



Department of Muni Communications
Monthly Call Activity
1997-98, Year to Date



Telephone Information Center

	Total Calls	Avg Daily Calls	Calls Ans.	Calls Aban.	Total calls when open	Calls Aft Hrs.	% Ans Open	% Ans. Total	Avg. Talk (Min:Sec)	Avg. Hold (Min:Sec)	Max. Hold (Min:Sec)
Jul.	41,668	1,344	31,756	2,405	34,161	7,507	93%	76%	1:25	:56	17:25
Aug	42,382	1,367	32,090	2,709	34,799	7,583	92%	76%	1:22	1:03	15:38
Sep	49,978	1,666	35,255	3,806	39,061	10,917	90%	71%	1:18	1:13	16:40
Oct	39,883	1,287	30,856	2,272	33,128	6,755	93%	77%	1:19	:52	13:36
Nov	32,941	1,098	25,018	1,477	26,495	6,446	94%	76%	1:13	:41	17:54
Dec	32,422	1,046	25,696	1,097	26,793	5,629	96%	79%	1:13	:33	16:30
Jan	34,688	1,119	26,700	1,764	28,464	6,224	94%	77%	1:13	:45	17:57
Feb	33,537	1,198	25,451	1,699	27,150	6,387	94%	76%	1:11	:41	16:12
Mar	34,659	1,118	27,439	1,145	28,584	6,075	96%	79%	1:16	:30	10:17
Apr	35,079	1,169	27,680	974	28,654	6,425	97%	79%	1:13	:27	19:37
Total year to Date	377,237	12,412	287,941	19,348	307,289	69,948					
Average Monthly to date	37,724	1,241	28,794	1,935	30,729	6,995	94%	77%	1:04	:40	15:34

Passenger Service Unit

	Total Calls	Avg Daily Calls	Calls Ans.	Calls Aban.	Total calls when open	Calls Aft Hrs.	% Ans Open	% Ans. Total	Avg. Talk (Min:Sec)	Avg. Hold (Min:Sec)	Max. Hold (Min:Sec)
Jul.	2,450	111	1,805	240	2,045	372	88%	74%	3:04	9:22	16:27
Aug	1,723	82	1,425	138	1,563	361	91%	83%	2:59	7:32	17:39
Sep	2,484	118	1,908	244	2,152	360	89%	77%	2:58	8:33	16:08
Oct	2,276	103	1,778	219	1,997	351	89%	78%	2:46	8:06	25:53
Nov	1,924	113	1,354	158	1,512	412	90%	70%	2:56	6:42	17:31
Dec	1,966	89	1,529	203	1,732	234	88%	78%	2:38	10:14	1:50
Jan	2,293	114	1,712	233	1,945	348	88%	75%	2:37	11:25	61:00
Feb	2,146	113	1,691	153	1,844	302	92%	79%	2:30	5:18	7:23
Mar	2,010	91	1,512	198	1,710	300	88%	75%	2:46	6:55	27:01
Apr	1,988	90	1,532	169	1,701	287	90%	77%	2:44	2:39	8:32
Total Year to Date	21,260	1,024	16,246	1,955	18,201	3,327					
Average Monthly to Date	2,126	102	1,625	196	1,820	333	89%	77%	2:40	2:48	19:56

To: Harvey Rose, Budget Analyst F: 252-0461
From: Sharyn Saslafsky, Director of Muni Communications
Date: May 15, 1998
Subject: Final Draft 98-733 and 98-739

The rational and support information you requested:

- These positions are paramount to our maintaining operating hours that best serve our customer. As you are well aware, our customers often need to place calls after they return from work, or on the weekends when they are out and about.
- The 9124s serve as supervisors. The position is necessary since we are extending the hours and days in the Passenger Service Unit as well as hours and days in the Transit Information Center.
- The 9124, assigned to work the weekend shift, will supervise both the Passenger Service Unit and the Transit Information Center.
- The work of 9122s in the PSU can not simply be measured by the total number of calls, or the duration of calls. These 9122s write, route, and track complaints from the initial call through resolution. The 9122s also send letters of acknowledgement to the caller. In addition to calls, the 9122s research, track, and respond to complaints filed in person as well as written complaints.
- The timeliness of response is also a part of a MOU.
- As Muni embarks on the promotion and implementation of new programs, specifically POP and ATCS, support is essential for communication and outreach for our customer. Starting Summer '98, we anticipate that calls, questions and paperwork will significantly increase. TIC and PSU must be available to answer questions associated with new procedures, explain processes, and assist our customers as they become familiar with our new projects.
- Information gathered by TIC and PSU serves as a barometer of how the railway is doing. By staffing and extending our hours in the TIC and PSU, we garner a broader range of information and feedback.

05/15/986:38 PM

With regard to the 9124 position:

The new hours for PSU will be 7:00 a.m. to 7:00 p.m., or 12 hours a day, five days a week. In order to provide supervisory coverage during all hours of operation on weekdays, two supervisors will be required. Saturday and Sunday will be covered by the TIC supervisor.

The TIC will be open on Saturday and Sunday from 8:00 a.m. to 6:00 p.m. (10 hours per day). On weekdays, the TIC will be open from 6:00 a.m. to 10:00 p.m. (16 hours per day).

A third supervisor will work Wednesday through Saturday, 10-hours a day. A fourth supervisor will work Sunday through Wednesday, 10-hours day. A fifth supervisor will work Monday through Friday, 8-hours a day. This coverage allows us to back-up the computer systems without loss of data.

Therefore, in order to provide full supervisory coverage in both PSU and TIC, it is necessary to add an additional 9124.

These schedules and calculations are factored at the bare minimum of operation. This is based on full coverage and does not include vacation, sick days or other absences.

10.25

2

127/98

MARKED CALENDAR
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO
REGULAR MEETING

DOCUMENTS DEPT.

MAY 28 1998

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WEDNESDAY, MAY 27, 1998 - 1:00 P.M.

VETERANS BUILDING
401 VAN NESS AVENUE
ROOM 410

MEMBERS: SUPERVISORS MABEL TENG, BARBARA KAUFMAN, GAVIN NEWSOM

CLERK: JONI BLANCHARD

CONSENT CALENDAR

1. All items listed hereunder constitute a Consent Calendar, are considered to be routine by the Committee and will be acted upon by a single, roll-call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.

- a. File 98-0753. [Reserved Funds, Municipal Railway] Hearing to consider release of reserved funds, Municipal Railway, in the amount of \$399,125 (Small Grants Projects, Ord. No. 213-91) and \$106,658 (Federal Capital Assistance, Res. No. 141-90), to provide financing for Municipal Railway's fixed-facilities project, replacing the Cable Car conduits and pulleys along portions of Mason Street. (Municipal Railway)

ACTION: Release of \$505,783 approved. Filed.

- b. File 98-0800. [Reserved Funds, Mayor's Office of Community Dev.] Hearing to consider release of reserved funds, Mayor's Office of Community Development (Emergency Shelter Grant, Res. No. 122-98), in the amount of \$15,000 to support the Metropolitan Community Church Supper Homeless Feeding Program. (Mayor's Office of Community Development)

ACTION: Release of \$15,000 approved. Filed.

- c. File 98-0796. [Declaration of Emergency, Port] Resolution approving a declaration of emergency for construction work to repair a collapsed pier at Pier 24 and 24 1/2, Port of San Francisco - \$248,386. (Port Commission)

ACTION: Recommended.

REGULAR CALENDAR

2. File 98-0738. [PUC Short-Term Indebtedness] Ordinance amending Administrative Code by adding Chapter 84 to provide a procedure for the issuance by the Public Utilities Commission of the City and County of San Francisco of commercial paper and other short-term indebtedness in anticipation of the issuance of revenue bonds. (Public Utilities Commission)
(Consideration continued from 5/20/98)

ACTION: Hearing held. Amendment of the Whole (with same title) adopted. Recommended as amended.

3. File 98-0386. [Uniforms Made in San Francisco] Resolution urging City Departments to work with the City's Purchaser to have local manufacturing companies be seriously considered in the awarding and renewal of contracts for production of uniforms. (Supervisors Teng, Kaufman)

ACTION: Hearing held. Recommended.

4. File 121-97-11. [Littering and Dumping Fines-Increase] Ordinance amending Police Code, Section 37; Health Code, Sections 95.5, 283.1 and 287; and Public Works Code, Sections 170 and 173 thereof to increase fines for violations of provisions relating to littering, dumping and environmental control. (Supervisor Brown)

ACTION: Hearing held. Recommended.

5. File 98-0732. [Bank Accounts] Ordinance amending Administrative Code Section 10.81-1 to prohibit City Departments from opening bank accounts for City money without written permission of the Treasurer. (Supervisor Kaufman)

ACTION: Hearing held. Recommended.

6. File 98-0582. [Lease of Property, 25 Van Ness Avenue] Resolution authorizing the renewal of an existing lease of real property at 25 Van Ness Avenue with the New Conservatory Theatre Center. (Real Estate Dept.)
(Consideration continued from 5/6/98)

ACTION: Hearing held. Amendment of the Whole (with same title) adopted. Further amended on page 1, beginning on line 3 after "center" to add "; retroactive to May 15, 1998."; amended on page 1, line 7 to replace "will expire" with "expired" between the words "lease" and "on"; amended on page 1, line 16 to insert "retroactively" between the words "commence" and "on"; amended on page 1, line 21 to insert "retroactively on" between the words "commencing" and "May". (See new title). Recommended as amended.

New Title: [Lease of Property, 25 Van Ness Avenue]
Resolution authorizing the renewal of an existing
lease of real property at 25 Van Ness Avenue with the
New Conservatory Theatre Center; retroactive to
May 15, 1998. (Real Estate Dept.)

7. File 98-0685. [Quitclaim Deed] Resolution authorizing and directing execution of quitclaim deed from the City and County of San Francisco to the San Francisco Unified School District, a political subdivision of the State of California, for Assessor's Block 6221, Lots 1 and 2 (500 Raymond Avenue), and adopting findings pursuant to Planning Code Section 101.1. (Real Estate Department)

ACTION: Hearing held. Amended on page 1, lines 5 and 9 to replace "Lots 1 and" with "Lot" between the words "6221," and "2". (See new title). Recommended as amended.

New Title: [Quitclaim Deed] Resolution authorizing and directing execution of quitclaim deed from the City and County of San Francisco to the San Francisco Unified School District, a political subdivision of the State of California, for Assessor's Block 6221, Lot 2 (500 Raymond Avenue), and adopting findings pursuant to Planning Code Section 101.1. (Real Estate Department)

8. File 98-0748. [Agreement, Sheriff - Interactive Systems] Resolution authorizing the San Francisco Sheriff's Department to enter into an agreement with Interactive Systems, LLC for VINE, an automated victim notification service, which agreement provides for mutual indemnification from claims or other damages which arises as a result of performance under said agreement. (Supervisors Kaufman, Teng, Newsom)

ACTION: Hearing held. Recommended.

NOTE: Supervisors' Kaufman, Teng & Newsom replace Sheriff as sponsor.

9. File 98-0031. [Waive Fees, Summer of Love Celebration] Resolution urging the San Francisco Police Department to waive all administrative fees associated with the Thirtieth Anniversary of the Summer of Love celebration. (Supervisor Ammiano)

ACTION: Hearing held. Amendment of the Whole (with new title) adopted. (See new title). Recommended as amended.

New Title: [Waive Administrative Fees, Summer of Love Celebration] Resolution waiving administrative fees of \$6,666 associated with the thirtieth anniversary of the Summer of Love celebration; the Summer of Love still being obligated to pay \$29,497 for City cost reimbursement. (Supervisor Ammiano)

10. File 98-0665. [Non-Profit Organizations] Resolution requesting the City's agencies and departments to provide information to the Board of Supervisors relating to contract monitoring procedures and provisions in contracts with non-profit organizations in order to determine whether and how such procedures and provisions should be standardized; companion measure to File 98-0666. (Supervisor Ammiano)

ACTION: Hearing held. Recommended.

11. File 98-0666. [Non-Profit Organizations, Public Access] Draft ordinance amending Administrative Code by adding Chapter 12K, Sections 12K.1 through 12K.10, to create requirements in contracts between the City and non-profit organizations that ensure public access to records and meetings of the Board of Directors of the non-profit organization, and by amending Section 67.30 by adding subsection 67.30(D) to specify the powers possessed by the Sunshine Ordinance Task Force. (Supervisor Ammiano)

ACTION: Hearing held. Amendment of the Whole (approved as to form with new title) adopted. (See new title). Recommended as amended.

New Title: [Non-Profit Organizations, Public Access] Ordinance amending Administrative Code by adding Chapter 12K, Sections 12K.1 through 12K.10, inclusive, to create requirements in contracts between the City and certain non-profit organizations that ensure public access to records and meetings of the Board of Directors of the non-profit organization, and by amending Section 67.30 by adding subsection 67.30(D) to specify the powers possessed by the Sunshine Ordinance Task Force. (Supervisor Ammiano)

12. File 98-0536. [Children, Youth and Family Reinvestment Project Fund] Resolution urging the City and the Department of Public Health, Department of Human Services, Juvenile Probation Department, San Francisco Unified School District, Mayor's Office of Children, Youth and Families, and the Mayor's Office of Criminal Justice to create a portion of demonstrated savings from lower utilization of high-end services and any new revenues generated by blending funding strategies adopted through interagency collaboration to be reinvested into prevention and early intervention programs. (Supervisors Yee, Brown, Medina)

ACTION: Hearing held. Consideration continued to the Call of the Chair.

4/98 BOARD of SUPERVISORS



401 Van Ness Avenue, Room 308
San Francisco 94102-4532
Tel. No. 554-5184
TDD No. 554-5227

1st Printed 5/28/98
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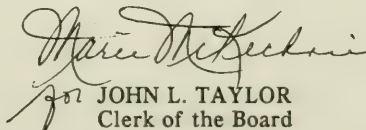
NOTICE OF CANCELLED MEETINGS

FINANCE COMMITTEE

JUN 01 1998
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NOTICE IS HEREBY GIVEN that the regularly scheduled meetings of the Finance Committee for June 3, 1998, June 17, 1998, June 24, 1998 and July 1, 1998, have been cancelled due to the City & County of San Francisco Fiscal Year 1998-99 budget review process and hearings to be held in the month of June.

The next regular meetings of the Finance Committee will be held on Wednesday, June 10, 1998 and on Wednesday, July 8, 1998, at 1:00 p.m., in Room 410, Veterans Building, 401 Van Ness Avenue.


for JOHN L. TAYLOR
Clerk of the Board

POSTED: MAY 28, 1998

25
198
MARKED CALENDAR

FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

RESCHEDULED MEETING

DOCUMENTS DEPT.

JUN 11 1998

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WEDNESDAY, JUNE 10, 1998 - 2:00 P.M.

VETERANS BUILDING
401 VAN NESS AVENUE
ROOM 410

MEMBERS: SUPERVISORS MABEL TENG, BARBARA KAUFMAN, GAVIN NEWSOM

ABSENT: Supervisor Newsom for action on Item 1 and Supervisor Kaufman for action on Items 12 - 18.

CLERK: JONI BLANCHARD

NOTICE IS HEREBY GIVEN That the regularly scheduled meeting of the FINANCE COMMITTEE for Wednesday, June 10, 1998, at 1:00 p.m. has been rescheduled to Wednesday, June 10, 1998, at 2:00 p.m.

CALENDAR ITEMS

1. File 98-0838. [MOU, Local 856] Ordinance implementing the provisions of a mediated settlement agreement for a Memorandum of Understanding between the Teamsters Local 856 and the City and County of San Francisco to be effective July 1, 1998 through June 30, 2001. (Department of Human Resources)

ACTION: Hearing held. Recommended.

2. File 98-0839. [MOU, Local 350] Ordinance implementing the provisions of a mediated settlement agreement for a Memorandum of Understanding between the Teamsters Local 350 and the City and County of San Francisco to be effective July 1, 1998 through June 30, 2001. (Department of Human Resources)

ACTION: Hearing held. Recommended.

3. File 98-0886. [MOU, Municipal Attorneys Association (MAA)] Ordinance implementing the provisions of a mediated settlement agreement for a Memorandum of Understanding between the Municipal Attorneys Association and the City and County of San Francisco to be effective July 1, 1998 through June 30, 2001. (Mayor Willie L. Brown, Jr.)

ACTION: Hearing held. Recommended.

4. File 98-0892. [MOU, Local 200 (S.E.A.M.)] Ordinance implementing the provisions of a mediated settlement agreement for a Memorandum of Understanding between the Transport Workers Union, Local 200 (S.E.A.M.) and the City and County of San Francisco to be effective for the period July 1, 1998 through June 30, 2001. (Supervisor Teng)

ACTION: Hearing held. Recommended.

5. File 98-0893. [MOU, Local 250-A (7410 Auto. Service Worker)] Ordinance implementing the provisions of a mediated settlement agreement for a Memorandum of Understanding between the Transport Workers Union, Local 250-A (7410 Automotive Service Worker) and the City and County of San Francisco to be effective July 1, 1998 through June 30, 2001. (Supervisor Teng)

ACTION: Hearing held. Recommended.

6. File 98-0894. [MOU, Local 250-A (Multi-Unit)] Ordinance implementing the provisions of a mediated settlement agreement for a Memorandum of Understanding between the Transport Workers Union, Local 250-A (Multi-Unit) and the City and County of San Francisco to be effective for the period July 1, 1998 through June 30, 2001. (Supervisor Teng)

ACTION: Hearing held. Recommended.

7. File 98-0925. [MOU, Local 216] Ordinance implementing the provisions of an arbitration award for a Memorandum of Understanding between the Building Material and Construction Teamsters, Local 216 and the City and County of San Francisco to be effective July 1, 1998 through June 30, 2001. (Department of Human Resources)

ACTION: Hearing held. Recommended.

8. File 98-0926. [MOU, Local 39] Ordinance implementing the provisions of a mediated settlement for a Memorandum of Understanding between the International Union of Operating Engineers Stationary Engineers, Local 39 and the City and County of San Francisco to be effective July 1, 1998 through June 30, 2001. (Department of Human Resources)

ACTION: Hearing held. Recommended.

9. File 98-0927. [MOU, Deputy Sheriff's Association] Ordinance implementing an arbitration award for a Memorandum of Understanding between the Deputy Sheriff's Association and the City and County of San Francisco to be effective July 1, 1998 through June 30, 2001. (Department of Human Resources)

ACTION: Hearing held. Consideration continued to Special Meeting of 6/22/98, at 11:00 a.m.

10. File 98-0928. [MOU, MEA-Bargaining Units M, EM, MSA] Ordinance implementing the provision of an agreement of a Memorandum of Understanding between the Municipal Executives Association (for Bargaining Units M, EM, and MSA) and the City and County of San Francisco to be effective July 1, 1998 through June 30, 2001. (Department of Human Resources)

ACTION: Hearing held. Recommended.

11. File 98-0931. [Amendment to MOU, MEA-Bargaining Unit MSA] Ordinance implementing the provisions of an amendment to the Memorandum of Understanding between the City and County of San Francisco and the Municipal Executives Association for the period July 1, 1997 through June 30, 1998 to add the Management Special Assistant Bargaining Unit ("MSA") under specified conditions. (Department of Human Resources)

ACTION: Hearing held. Recommended.

12. File 98-0846. [Employee Health Coverage] Ordinance amending Administrative Code Section 16.157, approving Health Service System plans and rates of contribution as adopted by the Health Service Board. (Effective July 1, 1998 through June 30, 1999). (Department of Human Resources/Health Service System)

ACTION: Hearing held. Consideration continued to Special Meeting of 6/22/98, at 11:00 a.m.

13. File 98-0880. [Water Rates] Ordinance approving revised schedule of rates to be charged by the San Francisco Public Utilities Commission for water service to its suburban resale customers. (Public Utilities Commission)

ACTION: Hearing held. Recommended.

14. File 98-0882. [Official Newspaper for FY 1998-99] Resolution designating the San Francisco Independent to be official newspaper for specified categories of official advertising, commencing July 1, 1998. (Purchasing Department)

ACTION: Hearing held. Recommended.

15. File 98-0883. [Official Newspaper, FY 1998-99] Resolution designating an organization to be official newspaper of the City and County of San Francisco for specified categories of advertising, commencing July 1, 1998. (Purchasing Department)

ACTION: Hearing held. Amended on line 2 between "the" and "to" to insert "S.F. Examiner"; amended on line 6 between "the" and ", a" to insert "S.F. Examiner". (See new title). Recommended as amended.

New Title: [Official Newspaper, FY 1998-99]
Resolution designating the S.F.
Examiner to be official newspaper of
the City and County of San Francisco
for specified categories of
advertising, commencing July 1, 1998.
(Purchasing Department)

16. File 98-0852. [Interim Annual Appropriation Ordinance, 1998-1999] Interim Annual Appropriation Ordinance appropriating all estimated receipts and all estimated expenditures for the City and County of San Francisco for fiscal year ending June 30, 1999; companion measure to File 98-0853. (Mayor Willie L. Brown, Jr.)

ACTION: Hearing held. Recommended (with Interim Budget Exceptions adopted as outlined in the 6/10/98 Budget Analyst Report in file).

17. File 98-0853. [Interim Annual Salary Ordinance, 1998-1999] Interim Annual Salary Ordinance enumerating positions in the Annual Budget and Appropriation Ordinance for the fiscal year ending June 30, 1999, continuing, creating or establishing these positions; enumerating and including therein all positions created by Charter or State law for which compensations are paid from City and County funds and appropriated in the Annual Appropriation Ordinance; authorizing appointments or continuation of appointments thereto; specifying and fixing the compensations and work schedules thereof; and authorizing appointments to temporary positions and fixing compensations therefor; companion measure to File 98-0852. (Mayor Willie L. Brown, Jr.)

ACTION: Hearing held. Recommended (with Interim Budget Exceptions adopted as outlined in the 6/10/98 Budget Analyst Report in file).

18. File 98-0936. [Interim Redevelopment Agency Budget, 1998-1999] Resolution approving an interim budget of the Redevelopment Agency of the City and County of San Francisco for Fiscal Year 1998-99. (Redevelopment Agency)

ACTION: Hearing held. Recommended.

CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 Market Street, Suite 1025, San Francisco, CA 94102 (415) 554-7642
FAX (415) 252-0461

June 5, 1998

TO: Finance Committee

FROM: Budget Analyst *Recommendations for meeting of June 10, 1998*
DOCUMENTS DEPT.

SUBJECT: June 10, 1998 Finance Committee Meeting

JUN 09 1998
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Item 1 - File 98-838

Department: Department of Human Resources

Item: Ordinance implementing the provisions of a mediated settlement agreement for a Memorandum of Understanding (MOU) between the Teamsters, Local 856 and the City and County of San Francisco, to be effective July 1, 1998 through June 30, 2001.

Description: On June 26, 1995, the Board of Supervisors approved an MOU (Ordinance 219-95) with the Teamsters, Local 856 for the three-year period from July 1, 1995 through June 30, 1998. The proposed ordinance would implement the provisions of a mediated settlement agreement to extend the terms of the MOU with the Teamsters, Local 856 for another three-year period from July 1, 1998 through June 30, 2001.

A mediated settlement agreement was required because the Teamsters, Local 856 and the City representatives could not reach agreement on the provisions of the subject MOU. As a result, an arbitrator, Mr. Walter Kintz, was mutually agreed to by both parties. The arbitrator, acting as a third-party neutral mediator, entered the

negotiations to help the parties reach the proposed agreement. According to Ms. Vicki Clayton of the City Attorney's Office, because the proposed negotiations did not go into formal arbitration, the Board of Supervisors has the discretion to approve or not to approve the proposed MOU.

Teamsters, Local 856 covers the following 14 classifications, for a total of approximately 120 employees

<u>Classifications</u>	<u>Employee Titles</u>
1434	Shelter Service Representative
2444	Clinical Lab Technician
2453	Supervising Pharmacist
2462	Microbiologist
2464	Senior Microbiologist
2496	Radiologic Technologist Supervisor
3320	Animal Keeper
3370	Animal Care Attendant
3372	Animal Control Officer
6139	Senior Industrial Hygienist
7444	Parking Meter Repairer
8322	Senior Counselor, Juvenile Hall
8323	Senior Counselor, Boys Ranch School
8324	Supervising Counselor, Juvenile Court

In addition to extending the period of time through June 30, 2001, the major fiscal provisions of the proposed MOU are as follows:

Wage Increases

The wage rates for all of the employees covered by the proposed MOU, excluding the 3320 Animal Keeper, would be increased as follows:

Memo to Finance Committee
June 10, 1998 Finance Committee Meeting

<u>Effective Date</u>	<u>Percent Increase</u>
July 1, 1998	1.5%
December 26, 1998	2.0
July 1, 1999	1.5
December 25, 1999	2.0
July 1, 2000	1.5
January 6, 2001	<u>2.0</u>
Total	10.5%

The wage rates for the 3320 Animal Keeper classification, would be increased as follows:

July 1, 1998	4.7%
December 26, 1998	2.4
December 25, 1999	<u>3.4</u>
Total	10.5%

As reflected above, all affected employees would receive wage increases totalling 10.5 percent over the three-year term of the proposed MOU. The wage rates for the 3320 Animal Keeper classification are to be increased on a different schedule, in order to be consistent with the wage rates and increases that Zoological Society employees in similar jobs will receive. In addition, the proposed wage increases for the 3320 Animal Keeper classification are consistent with the wage increases for the 3321 Senior Animal Keeper classification over the next three years, as contained in the proposed MOU between the Teamsters Local 350 and the City (See Item 2, File 98-839).

Internal Adjustments

In addition to the wage increases noted above, a one-time internal adjustment of five percent, to be effective July 1, 1998 would be authorized for the following three classifications:

1434 Shelter Service Representative
3370 Animal Care Attendant
3372 Animal Control Officer

According to Ms. Vicki Rambo of the Department of Human Resources, this internal adjustment is proposed because the wage rates for these three classifications are

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below the average salary rates for comparable positions. The average salary rates were determined based on survey data collected by the Department of Human Resources from other California cities and counties.

Salary Schedule Adjustments

In addition to the wage increases noted above, salary schedule adjustments of approximately five percent are proposed to be effective July 1, 1998, for the following four classifications:

8322 Senior Counselor, Juvenile Hall
8323 Senior Counselor, Boys Ranch School
8324 Supervising Counselor, Juvenile Court
2453 Supervising Pharmacist

Ms. Rambo reports that these four classifications are currently being paid at these higher rates, because each of these positions qualifies to receive a supervising differential of pay. The proposed provision would therefore not result in any additional costs for the City, but would rather provide for the actual salary schedule rates of pay that these four classifications already receive.

Standby Pay

Additional compensation of \$150 per week and four hours of compensation (maximum of \$158.10 at the 5th Step) for the four 2453 Supervising Pharmacist classification would be authorized at San Francisco General Hospital. These positions are assigned to standby duty with an electronic pager and who are required to be instantly available to respond, in accordance with City departmental policy.

Appointment Above Entrance Rate

Under this MOU, appointments could be made at any step in the compensation schedule, if the appointing officer determines that the appointee has special experience, qualifications and/or skills which warrant appointment above the entrance rate.

Provisional (Non-Permanent Employees)

Effective July 1, 1998, provisional (non-permanent) employees appointed at step one, who complete six months of continuous service, would be eligible to advance to the second step in the salary schedule. Those employees appointed at other than step one, would be eligible to advance to the next step in the salary schedule after completion of one year in their current classification. Thereafter, such provisional employees will receive subsequent salary increments on the anniversary date of the first increment until they reach the fifth and highest step.

Currently, provisional employees in Teamsters Local 856 remain at the same salary step to which they were hired and cannot advance to higher steps in the salary schedule, until they become permanent employees. According to Ms. Villagomez, the majority of provisional miscellaneous employees in the City, who are covered by the Service Employees International Union (SEIU) contract, already receive such step advances.

Compensatory Time

The appointing officers will use their best efforts to accommodate "Z" employee requests to exhaust unused compensatory time, when resigning or retiring. Z employees are supervisory, management or professional employees who do not receive overtime pay, but may receive compensatory time off, at the discretion of their supervisors.

Ms. Alice Villagomez of the Department of Human Resources reports that, although this Compensatory Time provision in the MOU is a new provision, and is not currently included in other MOUs, the proposed provision merely codifies existing practice, and will therefore not result in any additional costs to the City. According to Ms. Rambo, as is the current policy, under the proposed MOU, the award and use of compensatory time for Z employees as well as the maximum amount of compensatory time that can be accrued, will be determined by each Department's appointing officer.

Mr. John Madden of the Controller's Office concurs that the proposed language is not any different than current City department practices. According to Mr. Madden, the City does not currently have a City-wide compensatory time policy. However, Mr. Madden reports that most City departments have imposed a maximum accrual of 160 to 240 hours of compensatory time for Z employees. The current Service Employees International Union (SEIU) MOU which extends from July 1, 1997 through June 30, 2000 includes a provision that employees are entitled to cash payment of up to a maximum of 240 hours of accrued compensatory time, when separating from the City.

The Budget Analyst's Office is concerned that the language in the proposed MOU contains no maximum on the amount of compensatory time which Z employees would be authorized by department heads to take time off with pay for those employees who resign or retire from the City. The request for such compensatory time off could be a potentially significant cost for the City. Mr. Madden reports that the Controller's Office does not maintain data on the amount of compensatory time that has been accrued by Z employees in the City or the cost associated with such accrual.

Dependent Health Care Pick-up

Under the proposed MOU, the City will continue to contribute a maximum of \$225 per month toward the health premiums for existing and new employees who have one or more dependents enrolled in the City's Health Service System. Alternatively, employees can receive a \$210 per month cash payment. However, under the proposed MOU, employees who enroll one or more dependents in the City's sponsored health care plans cannot receive the cash payment option, until after the dependents are no longer enrolled. Currently, employees who enroll one or more dependents can receive the cash payment option and then separately pay for the cost of dependent health care, thus realizing the cash differential.

According to Ms. Rambo, there are currently a total of 20 employees within the Teamsters, Local 856 that would be affected by the proposed provision in the new MOU.

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Unpaid Leave Benefits

The proposed MOU will extend the provisions that the City will cease payment of any and all contributions for employee health and dental benefits for those employees who remain on unpaid status, with the exception of Workers Compensation leave, Family Medical Leave Act leave, which is a Federal law that entitles employees to unpaid leave for medical reasons, and/or the California Family Rights Act leave, which is a State law that entitles employees to unpaid leave for pregnancies, births or other family purposes, in excess of 12 continuous weeks.

Ms. Clayton reports that the proposed provision was included because Federal and State laws prohibit the City from cutting off benefits for those employees who are on such approved leaves.

Uniforms

The proposed MOU would add the requirement that the City provide and maintain uniforms for the 2453 Pharmacists.

Comments:

1. The proposed MOU also includes the following provisions which do not have fiscal impacts:

(a) Various wording changes and reorganizing of sections.

(b) A new provision which states that materials relating to disciplinary actions in the employee's personnel file which have been in the file three years or more shall not be used for disciplinary purposes, provided there has been no reoccurrence of the previously cited conduct. Currently, there is no limitation on the amount of time for consideration of the prior disciplinary actions contained in an employee's personnel file.

(c) Deletion of the requirement that the Board of Supervisors must approve enrollment in the State Disability Insurance (SDI) program. In compliance with the City's Administrative Code Section 16.9-31,

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enrollment in SDI would require only the approval of the Department of Human Resources. The cost of the SDI program is paid by the employee through payroll deductions at a rate established by the State Employment Development Department (EDD).

- (d) The City agrees to explore the possibility of an employee paid long term disability insurance program, to be paid for entirely by the employee and to be administered through payroll deductions, at no cost to the City.

2. In addition, the proposed MOU includes a side letter that states that the City agrees to meet with the Teamsters, Local 856, and the Zoological Society (if the Zoological Society wants to meet with the Teamsters and the City), to discuss the issue of career paths for employees in Classification 3320, Animal Keeper. According to Ms. Rambo, this side letter is included in the proposed MOU because the 3320 Animal Keepers felt that there were no promotional opportunities within the City for them. Currently, all promotional opportunities for the 3320 Animal Keeper classification are with the Zoological Society. Ms. Rambo does not anticipate that there will be any fiscal implications of this side letter. However, Ms. Rambo reports that if any changes to this MOU result from such discussions, any such changes would be subject to approval by the Board of Supervisors.

3. The Attachment contains the Controller's cost estimates for the proposed wage increases and associated fringe benefit increases as well as the internal adjustments. As reflected in the Attachment, the Controller estimates increased additional costs of \$279,654 in FY 1998-99, \$533,661 in FY 1999-2000 and \$796,643 in FY 2000-01 as a result of the proposed MOU. Over the three-year term of the proposed Teamsters, Local 856 MOU, the Controller estimates additional cumulative costs of \$1,609,957 will result.

The Budget Analyst concurs with this estimate. However, the Budget Analyst notes that there are some other provisions contained in this MOU, such as salary schedule adjustments, standby pay, appointments above the entrance rate, provisional employees receiving step

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advances, compensatory time off for Z-designated employees and uniform requirements, which will also result in additional fiscal impacts, although the amount is not expected to be significant.

4. As discussed above, a new Compensatory Time Off provision is included in the proposed MOU, which states that the appointing officers will use their best efforts to accommodate supervisory, management and professional (Z-designated) employee requests by authorizing such employees to take compensatory time in order to exhaust their accumulated unused compensatory time off balance, when resigning or retiring. Ms. Villagomez advises that this proposed provision merely codifies existing practice and will therefore not result in any additional costs to the City.

However, the Budget Analyst questions the language in the proposed MOU, in that this provision, which authorizes such compensatory time off, contains no maximum on the amount of compensatory time which Z employees could be authorized by department heads to take off up to the unused amount that each such employee had previously accumulated. Furthermore, the City does not currently have a City-wide compensatory time policy and we are advised by both Ms. Villagomez of the DHR and Mr. Madden of the Controller's Office that no centralized City-wide accounting exists with respect to the amount of unused compensatory time that has been accrued by Z employees or the costs associated with such accruals.

Recommendation:

Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

Attachment A
Teamsters, Local 856
Estimated Costs 1998-99 through 2000-01
Controller's Office

<u>Annual Incremental Costs/(Savings)</u>	<u>FY 1998-99</u>	<u>FY 1999-00</u>	<u>FY 2000-01</u>
Wage Increases			
1.5% on 7/1/98 and 2.0% on 12/28/98	\$149,561		
1.5% on 7/1/99 and 2.0% on 12/25/99		\$216,777	
1.5% on 7/1/00 and 2.0% on 1/6/2001			\$224,430
Internal Adjustments	92,941	3,485	3,616
Wage-Related Fringe Increases	37,151	33,744	34,937
Total Estimated Incremental Costs	279,654	254,007	262,982
Annual Amount Above 1997-98 Level	279,654	533,661	796,643
Cumulative Total Above 1997-98 Provisions			\$1,609,957
Incremental Cost % of Salary Base	4.67%	4.10%	4.10%

Item 2 - File 98-839

Department: Department of Human Resources

Item: Ordinance implementing the provisions of a mediated settlement agreement for a Memorandum of Understanding (MOU) between the Teamsters, Local 350 and the City and County of San Francisco, effective July 1, 1998 through June 30, 2001.

Description: In June of 1995, the Board of Supervisors approved an MOU with the Teamsters, Local 350 for the three-year period from July 1, 1995 through June 30, 1998. The proposed ordinance would implement the provisions of a mediated settlement agreement to extend the terms of the MOU with Teamsters, Local 350 for another three year period from July 1, 1998 through June 30, 2001.

A mediated settlement agreement was required because the Teamsters, Local 350 and the City representatives could not reach agreement. As a result, an arbitrator, Mr. Larry Corbett, was mutually agreed to by both parties. The arbitrator, acting as a third-party neutral mediator, entered the negotiations to assist the parties in reaching the proposed agreement. According to Ms. Vicki Clayton of the City Attorney's Office, because the proposed negotiations did not go into formal arbitration, the Board of Supervisors has the discretion to approve or not to approve the proposed MOU.

Teamsters, Local 350 covers the 3321 Senior Animal Keeper classification, of which there are two employees.

In addition to extending the period of time through June 30, 2001, the major fiscal provisions of the proposed MOU are as follows:

Wage Increases

<u>Effective Date</u>	<u>Percent Increase</u>
July 1, 1998	4.76%
December 26, 1998	2.41
December 25, 1999	3.48
Total	10.65%

These wage increases will result in total wage increases of 10.65 percent over the three-year term of the proposed MOU. As reflected below, the annual salary of a 3321 Senior Animal Keeper, at the top step, is currently \$45,414. Under the proposed MOU, the annual salary will increase as follows:

	<u>1st Step</u>	<u>5th Step</u>
Current Annual Salary	\$37,480	\$45,414
Effective July 1, 1998	39,228	47,580
Effective December 26, 1998	40,168	48,729
Effective December 25, 1999	41,551	50,425

Appointment Above Entrance Rate

The proposed MOU would permit appointments to be made at any step in the compensation schedule, if the appointing officer determines that the appointee has special experience, qualifications and/or skills which warrant appointment above the entrance rate.

Dependent Health Care Pick-up

Under the proposed MOU, the City will continue to contribute a maximum of \$225 per month toward the health premiums for existing and new employees who have one or more dependents enrolled in the City's Health Service System. In addition, for those employees that currently receive a \$210 per month cash payment option, this option will continue. However, new employees hired, appointed, promoted or transferred after July 1,

1998 will not be eligible to receive the cash payment option.

Unpaid Leave Benefits

The City will cease payment of any and all contributions for employee health and dental benefits for those employees who remain on unpaid leave status, with the exception of approved sick leave, Workers Compensation Leave, Family Medical Leave Act leave, which is a Federal law that entitles employees to unpaid leave for medical reasons, and or California Family Relief Act leave, which is a State law that entitles employees to unpaid leave for pregnancies, births or other family purposes, in excess of 12 continuous weeks. According to Ms. Clayton, the proposed provision extends this benefit because Federal and State laws prohibit the City from cutting off benefits for those employees who are on such approved leaves.

Comments:

1. The two 3321 Senior Animal Keeper employees, who would be covered by the proposed MOU, are employed at the Zoo, which is managed and operated by the Zoological Society. According to Mr. Mike Casey of the Department of Human Resources, the two employees to be effected by the proposed MOU are City employees, who were hired by the City prior to the transfer of the Zoo from the City to the Zoological Society in 1993. Any new employees hired after the transfer in 1993 are Zoological Society employees, who would not be covered by the proposed MOU.
2. The proposed MOU also includes provisions which have no fiscal impact, including: (a) changing references to various sections of the City's Charter and the City's Administrative Code, which are currently outdated, (b) providing clarifying language regarding part-time employment to be less than 40 hours per week, (c) deleting alternative methods of calculation for compensation, which are no longer relevant for employees covered under this MOU, and (d) deleting the requirement that the Board of

Supervisors must approve enrollment in the State Disability Insurance (SDI) program. In compliance with the City's Administrative Code Section 16.9-31, SDI enrollment would now require only the approval of the Department of Human Resources. The cost of the SDI program is paid by the employee through payroll deductions at a rate established by the State Employment Development Department (EDD).

3. The Attachment contains the Controller's cost estimates for the proposed wage increases and associated fringe benefit increases of the proposed MOU. As reflected in the Attachment, the Controller estimates increased additional costs of \$6,176 in FY 1998-99, \$9,443 in FY 1999-2000 and \$11,440 in FY 2000-01. Over the three-year tem of the proposed Teamsters, Local 350 MOU, the Controller estimates additional cumulative costs of \$27,059. The Budget Analyst concurs with this estimate.

Recommendation:

Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

Attachment

Attachment A
 Teamsters, Local 350
 Estimated Costs 1998-99 through 2000-01
 Controller's Office

<u>Annual Incremental Costs/(Savings)</u>	<u>FY 1998-99</u>	<u>FY 1999-00</u>	<u>FY 2000-01¹</u>
Wage Increases			
4.77% on 7/1/98 and 2.41% on 12/28/98	\$5,379		
3.48% on 12/25/99		\$2,845	\$1,739
Wage-Related Fringe Increases	<u>797</u>	<u>422</u>	<u>258</u>
Total Estimated Incremental Costs	<u>6,176</u>	<u>3,266</u>	<u>1,997</u>
Annual Amount Above 1997-98 Level	6,176	9,443	11,440
Cumulative Total Above 1997-98 Provisions			\$27,059
Incremental Cost % of Salary Base	6.86%	3.38%	2.00%

¹ Amount shown is due to annualization of the prior year increase

Item 3 - File 98-886

Department: Department of Human Resources

Item: Ordinance adopting and implementing the provisions of a mediated settlement agreement for a Memorandum of Understanding (MOU) between the Municipal Attorneys Association (MAA) and the City and County of San Francisco, to be effective July 1, 1998 through June 30, 2001.

Description: On August 7, 1995, the Board of Supervisors approved an MOU (Ordinance 263-95) with the MAA for the three-year period from July 1, 1995 through June 30, 1998. The proposed ordinance would adopt and implement the provisions of a new MOU with the MAA for the three-year period from July 1, 1998 through June 30, 2001.

The MAA represents 311.09 FTE employees in the following 11 classifications:

<u>Class</u>	<u>Position Title</u>	<u>Number of FTEs</u>
8162	Rent Board Hearing Officer	6.00
8164	Senior Hearing Officer, Rent Arbitration Board	1.00
8174	Attorney	31.75
8176	Trial Attorney	61.00
8178	Senior Attorney	63.75
8180	Principal Attorney	90.54
8181	Assistant Chief Attorney I	11.00
8182	Head Attorney	40.05
8183	Assistant Chief Attorney II	4.00
8190	Attorney, Tax Collector	1.00
8193	Chief Attorney I	<u>1.00</u>
	Total	311.09

The major fiscal provisions of the proposed MOU are as follows:

Wage Increases

The wage rates for all of the employees covered by the proposed MOU would be increased as follows:

<u>Effective Date</u>	<u>Percent Increase</u>
July 1, 1998	2.00%
December 26, 1998	1.50
July, 1 1999	1.75
December 25, 1999	1.75
July 1, 2000	1.75
January 6, 2001	<u>1.75</u>
Total	10.50

As reflected above, all of the employees covered by the proposed MOU would receive wage increases totaling 10.5 percent over the three-year term of the proposed MOU.

Internal Adjustments

In addition to the wage increases noted above, an internal adjustment of a total of five percent over the FY 1997-98 base wage rate, for the classifications of 8176 Trial Attorney and 8178 Senior Attorney would be provided according to the following schedule:

<u>Effective Date</u>	<u>Percent Increase</u>
December 26, 1998	2.0
December 25, 1999	1.0
January 6, 2001	<u>2.0</u>
Total	5.0

Further, an internal adjustment of 2 percent, effective July 1, 1999 for the classifications of 8180 Principal Attorney and 8182 Head Attorney who have five or more consecutive years of service at the fifth step would be provided.

According to Ms. Janet Rogers of the Department of Human Resources, these internal adjustments are proposed because the wage rates for these four classifications are below the average salary rates for comparable positions in other California cities and counties. The average salary rates were determined based on survey data collected by the DHR from other California cities and counties.

Severance Pay

Presently, a discharged MAA attorney must receive 30 days' notice before his or her final day of work. If less than 30 days notice is given, the attorney receives pay in lieu of the

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number of days less than 30 days upon which the attorney was informed of his or her discharge. Under the proposed MOU, in addition to the 30-day notification provision, discharged MAA employees with more than five years of service in an attorney classification shall also receive one week's pay for every year of service completed in an attorney classification in excess of five years (with a minimum of 2 weeks' pay). Such severance pay would be contingent upon the release of any contractual claims that the employee or MAA may have against the City. Ms. Rogers reports that similar provisions for severance pay are currently included in MOUs between the City and Service Employees International Union (SEIU) Locals 250, 535, and 790; the SEIU-represented Staff Nurses; and the Union of American Physicians & Dentists. According to Ms. Rogers, such MOUs cover 11,245 City employees out of a total of 26,313 City employees, or approximately 43 percent.

Long Term Disability Insurance

Currently, the City does not provide for Long Term Disability (LTD) insurance for MAA employees. Under the proposed MOU, the City would investigate the availability of a group LTD insurance plan and assess the affordability of such an insurance policy, including the contribution level required of employees to participate in the program. If a group LTD insurance policy mutually acceptable to the City (subject to the approval of the Health Services System Board and not subject to the approval of Board of Supervisors) and MAA is not available by December 31, 1999, commencing on January 1, 2000, the City would reimburse each employee up to 50 percent of the costs of a LTD policy purchased by that employee, up to a maximum reimbursement of \$75 per month, or \$900 per year. Ms. Rogers reports that LTD insurance policies are currently included in the MOU's between the City and SEIU Locals 250, 535, and 790; the SEIU-represented Staff Nurses; and Teamster-represented Local 856 Supervising Registered Nurses. According to Ms. Rogers, such MOUs cover 11,198 City employees out of a total of 26,313 City employees, or approximately 43 percent.

Increase to Tuition Reimbursement Fund

An increase in the tuition reimbursement fund of \$30,000, from \$20,000 to \$50,000 would be provided as well as a

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rollover of any unused tuition reimbursement funds to the following fiscal year. Presently, each attorney is eligible for reimbursement of up to \$500 annually for professional training and education needs for purposes of complying with mandatory requirements and for other professional activities. The \$500 allocation per attorney would remain the same.

Comments:

1. Attachment 1 to this report, provided by the DHR, is a summary of the substantive modifications contained in the proposed MOU with the MAA.

2. Given the delay in receiving this MOU from the DHR and the Budget Analyst's need to currently focus our efforts on the review of the FY 1998-99 budget, the Budget Analyst did not have sufficient time to conduct a comprehensive review of this proposed MOU.

3. Attachment 2 contains the Controller's cost estimates for the proposed wage increases and associated fringe benefit increases, as well as the Tuition Reimbursement Fund increase, and Long Term Disability plan provisions. As reflected in Attachment 2, the Controller estimates increased additional costs of \$1,089,675 in FY 1998-99, \$3,092,647 in FY 1999-2000, and \$4,558,850 in FY 2000-01 as a result of the proposed MOU. Over the three-year term of the proposed MOU, the Controller estimates additional cumulative costs of \$8,741,172 will result.

The Budget Analyst concurs with this estimate. However, the Budget Analyst notes that the Severance Pay provision contained in this MOU and described above will also have fiscal impact, although the amount is unknown.

Recommendation: Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

SUMMARY OF SUBSTANTIVE MAA MOU MODIFICATIONS

MAY 26, 1998

¶	SECTION	MODIFICATION
1	Preamble	Eliminate non-substantive paragraphs
2 - 4	Recognition	Update recognition clause and conform to model
12 - 19	Agency Shop	Conform Agency Fee provisions to legal standards; Modify employee notification provisions
20 - 22	Official Representatives	Specify number of designated employee representatives (5); Work schedules of employees shall be considered in scheduling meetings
23 - 43	Grievance Procedure	Disputes "relating to working conditions arising out of this agreement" included in the definition of grievance; Clarify and expand certain timelines for steps of grievance procedure; List names of arbitrators in MOU
48	Personnel Files	Add provision that supervisors' notes separate from official personnel file will be maintained only while needed for supervision and evaluation purposes
54 - 58	Reimbursement of Mileage and Other Expenses	Add provisions relating to procedures for reimbursement of mileage and travel expenses; Add requirement that employees shall receive reimbursement for approved expenses within 60 days of submission of appropriate documentation
61	Severance Pay	Discharged employees with more than 5 years of service in attorney classification shall receive 1 week's pay for every year of service (with minimum of 2 weeks pay), contingent upon release of any contractual claims.

¶	SECTION	MODIFICATION
63 - 65	General Wage Increases	Increase base wage rates as follows: 7/1/98: 2% 12/26/98: 1.5% 7/1/99: 1.75% 12/25/99: 1.75% 7/1/00: 1.75% 1/6/01: 1.75%
67	Inequity Adjustments for 8176 and 8178	Increase 8176 and 8178 top step wage rates by 5% over course of MOU, according to following schedule: 12/26/98: 2%; 12/25/99: 1%; 1/6/01: 2%
68 - 70	Inequity Adjustments for 8180 and 8182	Effective 7/1/99, increase by 2% base wage rates of employees at top step of 8180 or 8182 classes for more than 5 years
71	Salary Schedules	All compensation to be rounded to nearest salary schedule and to commence at start of closet payroll period.
82 - 84	Seniority Increments	Increases in seniority increments may occur earlier than specified periods; Prohibit seniority reductions within a classification
88	Voluntary Reduced Workweek	Appointing Officers may grant, at their discretion, voluntary reduced work schedules due to parenting or other childcare issues
110 - 112	Sick Leave	City and MAA to request Civil Service Commission to allow usage of paid sick leave due to illness of dependent adult; New employees to be advanced bank of sick leave of 40 hours; Vested sick leave to be paid with final paycheck
114	Administrative Leave	Up to 5 days of administrative leave may be carried over to following fiscal year
116	Sabbatical Leaves	Appointing Officers may grant, at their discretion, unpaid personal leave for purposes of sabbaticals after seven years of employment

¶	SECTION	MODIFICATION
124	Payment of Vacation upon Termination	Payment of accrued but unused vacation shall be paid with the employee's final paycheck
127	Health Care Benefits	City will cease contributions for employee health and dental benefits following 12 continuous weeks unpaid status, with exception of sick or other related leaves
137	State Disability Insurance	Update provision that Human Resources Director may enroll employees in SDI
139	Long Term Disability	City to investigate LTD policy that is mutually agreeable to MAA and City; If no mutually agreeable group LTD plan in place by 12/31/99, City shall reimburse each attorney up to 50% of costs of personal LTD policy, up to \$75 per month
142 - 143	Bar Dues	Updates provision given changes in Bar Dues; Establishes legal education fund for attorneys for difference between required dues and 1997 dues
145	Retirement Deficit Reduction	City to make every effort to obtain IRS approval of pre-tax buybacks of pension credits by qualified SFERS members
146 - 148	Tuition Reimbursement Fund	Increase fund from \$20,000 to \$50,000; Allow rollover of unused funds to following fiscal year
150	Health and Safety	Subject to approval of Health Services Board, City to provide hepatitis B vaccine and tuberculosis screening for attorneys whose health plans do not provide the benefit
152	Return to Work	Establish procedures for temporary modified duty for injured employees

¶	SECTION	MODIFICATION
153	Worker's Compensation/ Shadow Sick Leave	Provide procedures for supplementation of SDI or worker's compensation payments with employees accrued paid time; Eliminate "shadow sick leave" provisions of CSC rules
Side Letter	Effect of Negotiations	Parties' negotiations will not affect the parties' respective positions regarding discipline, discharge, or <u>Ventura</u> issues

Attachment A
Municipal Attorney's Association
Estimated Costs 1998-99 through 2000-01
Controller's Office

<u>Annual Incremental Costs/(Savings)</u>	<u>FY 1998-99</u>	<u>FY 1999-00</u>	<u>FY 2000-01</u>
Wage Increases			
2.0% on 7/1/98 and 1.5% on 12/28/98	\$820,175		
1.75% on 7/1/99 and 1.75% on 12/25/99		\$1,042,110	
1.75% on 7/1/00 and 1.75% on 1/6/2001			\$1,118,863
Internal Adjustments	98,724	445,812	152,559
Wage-Related Fringe Increases	140,775	227,950	194,782
Other MOU Items			
Tuition Fund Increase	30,000		
Long Term Disability Plan		287,100	
Total Estimated Incremental Costs	1,089,675	2,002,972	1,466,203
Annual Amount Above 1997-98 Level	1,089,675	3,092,647	4,558,850
Cumulative Total Above 1997-98 Provisions			\$8,741,172
Incremental Cost % of Salary Base	3.65%	6.49%	4.59%

Item 4 - File 98-892

Department: Department of Human Resources

Item: Ordinance implementing the provisions of the Memorandum of Understanding (MOU) between the Transportation Worker's Union, Local 200, and the City and County of San Francisco for the period July 1, 1998 through June 30, 2001.

Description: The current Memorandum of Understanding (MOU) between Transport Worker's Union (TWU) Local 200 for the Supervisory Employees Association MUNI (SEAM) and the City and County of San Francisco expires on June 30, 1998. Adoption of this ordinance would implement the provisions of a proposed MOU with TWU Local 200, which covers 11 classifications and approximately 245 employees, for the three year period July 1, 1998 through June 30, 2001.

<u>Class</u>	<u>Title</u>
1773	Media Training Specialist
7412	Automotive Service Worker Assistant Supervisor
9135	Passenger Service Specialist
9139	Transit Supervisor I
9140	Transit Manager I
9141	Transit Manager II
9173	Systems Safety Inspector
9155	Claims Investigator
9156	Senior Claims Investigator
9157	Claims Adjuster
8126	Senior Investigator, Office of Citizen Complaints

In addition to extending the period of time through June 30, 2001, the fiscal provisions of the proposed MOU with TWU Local 250-A are as follows:

Wage Increases

The wage rates for the employees covered by the proposed MOU would be increased as follows:

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Transport Workers' Union, Local 200
Collective Bargaining Agreement
Summary of Economic Terms

Article	Description
V.A. Scope of Agreement	2. <i>Past Practices.</i> The parties agree to meet to incorporate all recognized past practices into the corpus of the CBA.
V.B. Duration of the Agreement	The term of the CBA shall be three years (July 1, 1998 through June 30, 2001).
Add former SSO language to CBA.	Appropriate former Salary Standardization Ordinance ("SSO") provisions are directly incorporated into the CBA that had previously been incorporated by reference only.

Attachment A
 Transport Worker's Union, Local 200
 Estimated Costs 1998-99 through 2000-01
 Controller's Office

<u>Annual Incremental Costs/(Savings)</u>	<u>FY 1998-99</u>	<u>FY 1999-00</u>	<u>FY 2000-01</u>
Wage Increases			
2.0% on 7/1/98 and 1.5% on 12/28/98	\$467,097		
2.0% on 7/1/99 and 1.5% on 12/25/99		\$615,472	
2.0% on 7/1/00 and 1.5% on 1/6/2001			\$637,198
Wage-Related Fringe Increases	71,559	94,290	97,619
Total Estimated Incremental Costs	<u>538,656</u>	<u>709,763</u>	<u>734,817</u>
Annual Amount Above 1997-98 Level	538,656	1,248,419	1,983,236
Cumulative Total Above 1997-98 Provisions			\$3,770,311
Incremental Cost % of Salary Base	3.17%	4.04%	4.04%

Item 5 – File 98-893

Department: Department of Human Resources

Item: Ordinance implementing the provisions of the Memorandum of Understanding between the Transportation Worker's Union, Local 250-A for 7410 Automotive Service Workers and the City and County of San Francisco for the period July 1, 1998 through June 30, 2001.

Description: The current Memorandum of Understanding (MOU) between Transport Worker's Union (TWU) Local 250-A for Classification 7410 Automotive Service Workers, covering approximately 120 employees, and the City and County of San Francisco expires on June 30, 1998. Adoption of this ordinance would implement the provisions of a proposed MOU with TWU Local 250-A for the three year period July 1, 1998 through June 30, 2001.

In addition to extending the period of time through June 30, 2001, the fiscal provisions of the proposed MOU with TWU Local 250-A are as follows:

Wage Increases

The wage rates for the employees covered by the proposed MOU would be increased as follows:

<u>Effective Date</u>	<u>Percent Increase</u>
July 1, 1998	2.0%
December 26, 1998	1.5
July 1, 1999	2.0
December 25, 1999	1.5
July 1, 2000	2.0
January 6, 2001	<u>1.5</u>
	10.5%

As reflected above, all of the employees covered by the proposed MOU would receive wage increases totaling 10.5 percent over the three-year term of the proposed MOU.

Premium Pay

The proposed MOU establishes that all premium pay shall be only for hours actually worked. Currently, each type of premium pay (e.g., lead person, weekend, shift differential) is defined as applying only to hours actually worked, but there is no separate provision stating that all premium pay shall be only for hours actually worked. According to Ms. Alice Villagomez of the Department of Human Resources, the purpose of this provision is to confirm the understanding of parties to the MOU that all premium pay shall only be for hours actually worked.

No Pyramiding

The proposed MOU establishes that all premiums are separately and independently calculated against the base wage, and that premiums may not be pyramided. Currently, pyramiding of premiums is not expressly prohibited. According to Ms. Villagomez, the intent of this provision is to confirm the understanding of parties to the MOU that pyramiding of premiums is prohibited.

Lead Person Pay

The proposed MOU establishes Lead Person premium pay at 5½% over base hourly rate for employees assigned by their supervisor or foreman to perform lead work, to supervise non-departmental personnel or any special assignments specifically designated by the Department. Currently, Lead Person premium pay is set at the same rate of 5½%, but the definition of when Lead Person premium pay is applicable is "when required to plan, design, sketch, layout, detail, estimate, order material or take the lead on any job when at least two other persons are assigned."

Work Hours Differential

The proposed MOU would continue the current Shift Differential premium, but would replace it with a Work Hours Differential premium as of December 25, 1999.

- Shift Differential Premium (expires December 25, 1999) Currently, for classification 7410 Automotive Service Worker, any shift immediately following a regular day shift or commencing during any period of a day shift shall be considered a night shift and employees working on such a night shift are paid 10% above the regular day shift rate for the entire workday. A subsequent shift shall be known as a midnight shift and shall be paid 15% above the regular day rate. Night and midnight Shift Differential Premiums shall be paid only for days and hours actually worked.
- Work Hours Differential (replacing Shift Differential effective December 25, 1999) The proposed MOU establishes that effective December 25, 1999, the work day shall be divided into three time periods for purposes of calculating Hours Differential premiums: Day hours (8:01am to 4:00pm), Swing hours (4:01 pm to 12:00am) and Graveyard hours (12:01am to 8:00am). Irrespective of the time an employee begins his/her shift, any hours actually worked during the Day hours shall be paid at straight time; any hours actually worked during the Swing hours shall be paid 10% above the base wage rate, and any hours actually worked during the Graveyard hours shall be paid 15% above the base wage rate.

Effective December 25, 1999, a one time lump sum will be paid to the Transport Workers Union, Local 250-A, as compensation for the shift premium lost. The lump sum payment would be calculated as follows:

- 1) The Department will determine the Shift Differential premium owing all employees for the Day, Swing and Graveyard shifts, calculated as described above, for shifts actually worked during the pay period immediately prior to December 25, 1999. This amount is multiplied by 26.2 payperiods.
- 2) The Department will determine the Work Hours Differential premium owing all employees for the Day, Swing and Graveyard hours, calculated as described above, for hours actually worked during the pay period

immediately prior to December 25, 1999. This amount is also multiplied by 26.2 payperiods.

3) The amount calculated under the Work Hours Differential method is subtracted from the amount calculated under the Shift Differential method. The remaining balance will be discounted by 7½% and paid in lump sum to the Transport Workers Union, Local 250-A, for the benefit of the Union. Details as to how the lump sum is to be distributed among Union members will be provided to the Department. However, such details would have no bearing on the calculation or payment of the lump sum to the Union.

Sick Leave Accrual

The proposed MOU would eliminate the ability of employees accruing sick leave at an accelerated rate (twice the regular rate), which currently occurs after an employee returns from disability leave. Under the proposed MOU, employees returning from disability leave would instead accrue sick leave at the regular rate.

Unpaid Leave Benefits

The proposed MOU would extend the provisions that the City will cease payment of any and all contributions for employee health and dental benefits for those employees who remain on unpaid status, with the exception of Workers Compensation leave, Family Medical Leave Act leave, which is a Federal law that entitles employees to unpaid leave for medical reasons and/or the California Family Rights Act leave, which is a State law that entitles employees to unpaid leave for pregnancies, births, or other family purposes in excess of 12 continuous weeks.

Ms. Vicki Clayton of the City Attorney's Office reports that the proposed provision was included because Federal and State laws prohibit the City from cutting off benefits for those employees who are on such approved leaves.

Past Practices

The proposed MOU states that the parties to the MOU agree to meet to incorporate past practices into the

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contract during the term of the agreement. A past practice shall mean either "(a) an agreement between the City (agreements previously approved by the Board of Supervisors) and the TWU Local 250-A that has been in existence for at least one year and that addresses an appropriate subject to include in the collective bargaining agreement, or (b) a known and well-established course of conduct that has been in existence for at least one year and that addresses an appropriate subject to include in the collective bargaining agreement. For consideration, all past practices must be identified in writing by the parties no later than August 1, 1998, unless extended by mutual agreement of the parties."

Past practices must be identified in writing by the parties by August 1, 1998, which is subsequent to the approval of this MOU by the Board of Supervisors. Therefore, if the Board of Supervisors approves the proposed MOU, this provision would authorize future unknown provisions which are not now formally established. However, the Past Practices will be incorporated into the proposed MOU as an amendment, which will require separate, subsequent approval by the Board of Supervisors.

Retirement Contributions

The proposed MOU continues the current retirement pickup, but if retirement benefits are improved for other miscellaneous employees through the voter process, such improvements shall be extended to employees covered by this agreement. The potential cost impact to the City in FY 1998-99 is not quantifiable at this time.

Comments:

1. In addition to the above-noted fiscal provisions, the proposed MOU also contains the following provisions that do not, in and of themselves, have fiscal impact: (a) various wording changes, including standardizing appropriate provisions of the former Salary Standardization Ordinance, (b) a provision addressing the Americans with Disabilities Act (ADA), (c) a statement of the City's Return to Work policy, (d) a provision changing the distribution of clean protective coveralls to each employee, and (e) a zipper clause, which closes the terms

of the agreement to the specific provisions contained in the proposed MOU.

2. The Controller's Office estimates that the cost of wage increases (including wage-related fringe benefit increases) and the changes in Premium Pay for Shift Differential and Lead Person included in the proposed MOU would be as follows:

	<u>FY 1998-99</u>	<u>FY 1999-00</u>	<u>FY 2000-01</u>
Total Incremental Costs	\$152,793	\$354,122	\$562,557

Cumulative Total Above FY 1997-98 Provisions	\$1,069,472
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The Controller's estimate is the Attachment to this report. The Budget Analyst concurs with the cost estimate by the Controller's Office. However, the Budget Analyst notes that there are also some other minor provisions contained in this MOU which will also result in additional fiscal impacts, including the increased mileage reimbursement, although the amount is not expected to be significant.

Recommendation: Approval of the proposed MOU is a policy matter for the Board of Supervisors.

Attachment

Attachment A

Transport Worker's Union, Local 250-A Class 7410

Estimated Costs 1998-99 through 2000-01

Controller's Office

<u>Annual Incremental Costs/(Savings)</u>	<u>FY 1998-99</u>	<u>FY 1999-00</u>	<u>FY 2000-01</u>
Wage Increases			
2.0% on 7/1/98 and 1.5% on 12/28/98	\$132,495		
2.0% on 7/1/99 and 1.5% on 12/25/99		\$174,582	
2.0% on 7/1/00 and 1.5% on 1/6/2001			\$180,745
Wage-Related Fringe Increases	<u>20,298</u>	<u>26,746</u>	<u>27,690</u>
Total Estimated Incremental Costs	<u>152,793</u>	<u>201,328</u>	<u>208,435</u>
Annual Amount Above 1997-98 Level	152,793	354,122	562,557
Cumulative Total Above 1997-98 Provisions			\$1,069,472
Incremental Cost % of Salary Base	3.17%	4.04%	4.04%

Item 6 – File 98-894

Department: Department of Human Resources

Item: Ordinance implementing the provisions of the Memorandum of Understanding between the Transport Worker's Union, Local 250-A (multi-unit) and the City and County of San Francisco for the period July 1, 1998 through June 30, 2001.

Description: The current Memorandum of Understanding (MOU) between Transport Workers Union (TWU), Local 250-A for Units 8-AA, 8-BB, 8-FF, 11-Z, and 11-CC and the City and County of San Francisco expires June 30, 1998. Adoption of this ordinance would implement the provisions of the proposed MOU with TWU Local 250-A for the three year period July 1, 1998 through June 30, 2001. There are 13 classifications and approximately 140 employees represented by this proposed MOU with TWU Local 250-A, as follows:

<u>Bargaining Unit</u>	<u>Class</u>	<u>Title</u>
Unit 8-AA	6120	Environmental Health Inspector
Unit 8-BB	3262	Curator of Industrial Art, Junior Museum
	3342	Zoo Curator
	3529	Museum Conservator (Asian Art)
	3541	Curator I
	3542	Curator II
	3544	Curator III
	3548	Curator of Natural Science, Junior Museum
Unit 8-FF	2806	Disease Control Investigator
Unit 11-CC	2808	Senior Disease Control Investigator
Unit 11-Z	2810	Principal Disease Control Investigator
	6122	Senior Environmental Health Inspector
	6124	Principal Environmental Health Inspector

In addition to extending the period of time through June 30, 2001, the fiscal provisions of the proposed MOU are as follows:

Wage Increases

The wage rates for the employees covered by the proposed MOU would be increased as follows:

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<u>Effective Date</u>	<u>Percent Increase</u>
July 1, 1998	2.0%
December 26, 1998	1.5
July 1, 1999	2.0
December 25, 1999	1.5
July 1, 2000	2.0
January 6, 2001	<u>1.5</u>
	10.5%

As reflected above, all of the employees covered by the proposed MOU would receive wage increases totaling 10.5 percent over the three-year term of the proposed MOU.

Premium Pay

The proposed MOU contains modifications to the pay rate for employees in the 6120 Environmental Health Inspector and 6122 Senior Environmental Health Inspector classifications who inspect food facilities at professional football games. Under the proposed MOU, employees providing the food inspection at professional football games at 3 Com Park would receive a premium of \$190 in lieu of overtime pay. Currently, the subject employees earn approximately four hours of overtime, which is paid at time and a half. For a 6120 employee, the overtime pay would be approximately \$195 (\$32.45 per hour x 1.5 overtime rate x 4 hours) and for a 6122 employee, the overtime pay would be approximately \$209 (34.91 per hour x 1.5 overtime rate x 4 hours). According to Mr. Jack Breslin of the Bureau of Environmental Health, the substitution of premium pay for overtime pay is welcome by the TWU Local 250-A, despite resulting in slightly lower pay for the same service, because employees who perform food inspection at professional football games will receive premium pay more quickly than they currently receive overtime pay, and no waiver would be needed for classification 6122 (Z) employees, as is required to receive overtime pay.

No Pyramiding

The proposed MOU establishes that all premiums are separately and independently calculated against the base wage, and that premiums may not be pyramided. Currently, pyramiding of premiums is not expressly prohibited. According to Ms. Villagomez, the intent of this provision is to confirm the understanding of parties to the MOU that pyramiding of premiums is prohibited.

Unpaid Leave Benefits

The proposed MOU would extend the provisions that the City will cease payment of any and all contributions for employee health and dental benefits for those employees who remain on unpaid status, with the exception of Workers Compensation leave, Family Medical Leave Act leave, which is a Federal law that entitles employees to unpaid leave for medical reasons and/or the California Family Rights Act leave, which is a State law that entitles employees to unpaid leave for pregnancies, births, or other family purposes in excess of 12 continuous weeks.

Ms. Vicki Clayton of the City Attorney's Office reports that the proposed provision was included because Federal and State laws prohibit the City from cutting off benefits for those employees who are on such approved leaves.

Mileage Reimbursement

The proposed MOU increases the allowance for City reimbursement of mileage expenses incurred by employees required to use their privately-owned vehicles for City business by \$0.015 per mile, from \$0.30 per mile to \$0.315 per mile

Past Practices

The proposed MOU states that the parties to the MOU agree to meet to incorporate past practices into the contract during the term of the agreement. A past practice shall mean either "(a) an agreement between the City (agreements previously approved by the Board of Supervisors) and the TWU Local 250-A that has been in

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existence for at least one year and that addresses an appropriate subject to include in the collective bargaining agreement, or (b) a known and well-established course of conduct that has been in existence for at least one year and that addresses an appropriate subject to include in the collective bargaining agreement. For consideration, all past practices must be identified in writing by the parties no later than August 1, 1998, unless extended by mutual agreement of the parties."

Past practices must be identified in writing by the parties by August 1, 1998, which is subsequent to the approval of this MOU by the Board of Supervisors. Therefore, if the Board of Supervisors approves the proposed MOU, this provision would authorize future unknown provisions which are not now formally established. However, the Past Practices will be incorporated into the proposed MOU as an amendment, which will require separate, subsequent approval by the Board of Supervisors.

Retirement Contributions

The proposed MOU continues the current retirement pickup, but if retirement benefits are improved for other miscellaneous employees through the voter process, such improvements shall be extended to employees covered by this agreement. The potential cost impact to the City in FY 1998-99 is not quantifiable at this time.

Comments:

1. In addition to the above-noted fiscal provisions, the proposed MOU also contains the following provisions that do not, in and of themselves, have fiscal impact: (a) various wording changes, including standardizing appropriate provisions of the former Salary Standardization Ordinance, (b) a provision addressing the Americans with Disabilities Act (ADA), and (c) a zipper clause, which closes the terms of the agreement to the specific provisions contained in the proposed MOU.
2. The Controller's Office estimates that the cost of wage increases (including wage-related fringe benefit increases) included in the proposed MOU would be as follows:

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Memo to Finance Committee
June 10, 1998 Finance Committee Meeting

	<u>FY 1998-99</u>	<u>FY 1999-00</u>	<u>FY 2000-01</u>
Total Incremental Costs	\$254,827	\$590,601	\$938,227

Cumulative Total Above FY 1997-98 Provisions	\$1,783,654
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The Controller's estimate is the Attachment to this report. The Budget Analyst concurs with the cost estimate by the Controller's Office. However, the Budget Analyst notes that there are also some other minor provisions contained in this MOU which will also result in additional fiscal impacts, including the increased mileage reimbursement, although the amount is not expected to be significant. Additional costs in this proposed MOU will be partially offset by cost savings that will result from Premium Pay in lieu of overtime, Unpaid Leave Benefits, and prohibition of Pyramiding premiums.

Recommendation: Approval of the proposed MOU is a policy matter for the Board of Supervisors.

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Attachment A
 Transport Worker's Union, Local 250-A Multi-Unit
 Estimated Costs 1998-99 through 2000-01
 Controller's Office

<u>Annual Incremental Costs/(Savings)</u>	<u>FY 1998-99</u>	<u>FY 1999-00</u>	<u>FY 2000-01</u>
Wage Increases			
2.0% on 7/1/98 and 1.5% on 12/28/98	\$220,974		
2.0% on 7/1/99 and 1.5% on 12/25/99		\$291,167	
2.0% on 7/1/00 and 1.5% on 1/6/2001			\$301,445
Wage-Related Fringe Increases	33,853	44,607	46,181
Total Estimated Incremental Costs	<u>254,827</u>	<u>335,774</u>	<u>347,627</u>
Annual Amount Above 1997-98 Level	254,827	590,601	938,227
Cumulative Total Above 1997-98 Provisions			\$1,783,654
Incremental Cost % of Salary Base	3.17%	4.04%	4.04%

Item 7 -File 98-925

Department: Department of Human Resources (DHR)

Item: Ordinance implementing the provisions of an arbitration award for a Memorandum of Understanding (MOU) between the Building Material and Construction Teamsters, Local 216 and the City and County of San Francisco, to be effective July 1, 1998 through June 30, 2001.

Description: In June of 1995, the Board of Supervisors approved an MOU with the Building Material and Construction Teamsters, Local 216 for the three-year period from July 1, 1995 through June 30, 1998. The proposed ordinance would implement the provisions of an arbitration award to extend the terms of the MOU with the Teamsters, Local 216 for another three-year period from July 1, 1998 through June 30, 2001.

An arbitration award was required because the Teamsters, Local 216 and the City representatives could not reach agreement on the provisions of the subject MOU. As a result, in accordance with Charter Section 8.409-4(d), a three-party Board of Arbitrators were selected, comprised of Mr. Richard Cunningham, the Superintendent of the Bureau of Street and Sewer Repair as the City-designated arbitrator, Mr. Phil Taratino, the Secretary-Treasurer and principal officer of Teamsters Union Local 216 as the Union-designated arbitrator and Mr. Laurence P. Corbett, a labor interest arbitrator as the neutral arbitrator. Mediation and arbitration hearings were held on April 16, 23, 24 and 27 and May 1 and 7, 1998. Both the City and the Teamsters, Local 216 presented their last offers to the Arbitration Board on May 16, 1998 and the proposed arbitration award was issued on May 22, 1998.

The Teamsters, Local 216 covers the following two classifications, for a total of approximately 142 employees.

<u>Classification</u>	<u>Employee Title</u>
7251	Track Maintenance Worker Supervisor I
7252	Truck Driver

In addition to extending the period of time through June 30, 2001, the major fiscal provisions of the proposed arbitrated MOU are as follows:

Wage Increases

The wage rates for all of the employees covered by the proposed MOU would be increased as follows:

<u>Effective Date</u>	<u>Percent Increase</u>
July 1, 1998	2.5%
December 26, 1998	2.0
July 1, 1999	2.0
December 25, 1999	2.0
July 1, 2000	2.0
January 6, 2001	<u>2.0</u>
Total	12.5%

As reflected above, all affected employees would receive wage increases totaling 12.5 percent over the three-year term of the proposed MOU.

Standby Pay

The proposed MOU would add a new provision that was included in the former Salary Standardization Ordinance (SSO) to enable employees to be paid 25 percent of their regular straight time rate of pay for the period on standby service, except for those employees outfitted with an electronic paging device, who will receive ten percent of their regular straight time pay. Currently, the MOU only provides for employees to receive ten percent additional standby pay when outfitted with an electronic pager.

Night Duty and Call Back Premiums

Under the proposed MOU, night duty and call back premium compensation would be changed from a flat rate of \$2.32 per hour to ten percent of the straight time hourly rate.

Sewage Premium

The proposed MOU would convert the sewage premium pay to a premium for operating the vacuum trucks used to service portable toilets or the combination sewer cleaner vehicles and catch basin/storm drain cleaner vehicles. This premium would remain at \$0.45 per hour.

DMV Testing

Under the proposed MOU, the City will provide the vehicles that employees need to complete their road and driving tests conducted by the State Department of Motor Vehicles (DMV. In addition, the City will reimburse employees for any additional fees charged by the DMV for licenses or requirements beyond the scope of the employee's original conditions of employment.

According to Ms. Alice Villagomez, this provision codifies an existing practice and should therefore not result in any additional costs to the City.

Safe Driving Bonus

The proposed MOU includes a safe driving incentive bonus of \$500 per employee, per year, if the employee maintains a good driving record with the DMV. Currently, employees do not receive any such incentive bonuses.

Provisional (Non-Permanent) Employees

Under the proposed MOU, provisional employees would advance to the second step upon completion of 2,080 hours. Under the current MOU, provisional employees remain at the same salary step to which

they were hired and cannot advance to higher steps in the salary schedule until they become permanent employees.

Health Coverage

Under the proposed MOU, for medically single employees, the City would contribute all of the employee's premium contribution for the employee's own health care benefit coverage. Under the current MOU, medically single employees are required to pay the difference in the annual rate of contribution for health insurance coverage, as provided under the Charter. According to Ms. Villagomez, the contribution rates vary depending on the health coverage plan selected.

Unpaid Leave Benefits

The proposed MOU would extend the provisions that the City will cease payment of any and all contributions for employee health and dental benefits for those employee who remain on unpaid status, with the exception of Workers Compensation leave, Family Medical leave Act leave, which is a Federal law that entitles employees to unpaid leave for medical reasons and/or the California Family Rights Act leave, which is a State law that entitles employees to unpaid leave for pregnancies, births or other family purposes, in excess of 12 continuous weeks.

Ms. Vicki Clayton of the City Attorney's Office reports that the proposed exception was included because Federal and State laws prohibit the City from cutting off benefits for those employees who are on such approved leaves.

Comments:

1. The proposed MOU also includes the following provisions which do not have fiscal impact: (a) various wording changes, such as the deletion of phrases that are no longer applicable and the inclusion of minor new language, (b) revisions to the grievance procedures, including a provision that states that changes to any existing ordinances or

Civil Service Rules are not subject to the MOU grievance procedure, (c) time limits for arbitration hearings can be waived by mutual agreement by the Union and the City, (d) a provision which states that materials relating to disciplinary actions in the employee's personnel file which have been in the file for more than two years shall not be used for disciplinary purposes, provided the employee has no subsequent disciplinary action, (e) a new return to work policy, which encourages employees to be placed on temporary modified duty assignments and (f) expanded health and safety language, which codifies existing practices.

2. The Attachment contains the Controller's cost estimates for the proposed wage increases and associated fringe benefit increases, as well as the good driving record bonus and single employees full premium pickup. As reflected in the Attachment, the Controller estimates increased additional costs of \$359,220 in FY 1998-99, \$698,228 in FY 1999-2000 and \$1,050,932 in 2000-01 as a result of the proposed MOU. Over the three-year term of the proposed Teamsters Local 216 MOU, the Controller estimates additional cumulative costs of \$2,108,380 will result.

The Budget Analyst concurs with this estimate. However, the Budget Analyst notes that there are also some other minor provisions contained in this MOU which will also result in additional fiscal impacts, although the amount is not expected to be significant.

3. Ms. Clayton reports that the arbitrator's decision is final and binding and the Board of Supervisors is required to approve the proposed ordinance, which would implement the provisions of the arbitrated settlement, unless there is a legal basis for a challenge.

Recommendation: Approve the proposed ordinance.

Attachment A
 Teamsters, Local 216
 Estimated Costs 1998-99 through 2000-01
 Controller's Office

<u>Annual Incremental Costs/(Savings)</u>	<u>FY 1998-99</u>	<u>FY 1999-00</u>	<u>FY 2000-01</u>
Wage Increases			
2.5% on 7/1/98 and 2.0% on 12/28/98	\$246,031		
2.0% on 7/1/99 and 2.0% on 12/25/99		\$293,972	
2.0% on 7/1/00 and 2.0% on 1/6/2001			\$305,848
Wage-Related Fringe Increases	37,692	45,036	46,856
Good Driving Record Bonus	66,500		
Single Employees Full Premium Pickup	8,997		
Total Estimated Incremental Costs	<u>359,220</u>	<u>339,008</u>	<u>352,704</u>
Annual Amount Above 1997-98 Level	359,220	698,228	1,050,932
Cumulative Total Above 1997-98 Provisions			\$2,108,380
Incremental Cost % of Salary Base	5.11%	4.61%	4.61%

Item 8 - File 98-926

Department: Human Resources Department

Item: Ordinance implementing the provisions of a Memorandum of Understanding (MOU) between the International Union of Operating Engineers, Stationary Engineers, Local 39 and the City and County of San Francisco for the period July 1, 1998 through June 30, 2001.

Description: In June of 1995, the Board of Supervisors approved an MOU with Stationary Engineers, Local 39 for the three-year period from July 1, 1995 through June 30, 1998. The proposed ordinance would implement the provisions of another MOU to extend the terms of the MOU with Local 39 for the three-year period from July 1, 1998 through June 30, 2001.

The Stationary Engineers, Local 39 covers the following 24 classifications for a total of approximately 577 employees.

<u>Classification</u>	<u>Employee Title</u>
5148	Asst. Sup. Water Treatment Facilities
5149	Sup. Water Treatment Facilities
5150	Buildings & Grounds Maint Superint.
5151	Building & Grounds Maint Supervisor
5152	Chief Stationary Engineer
5153	School Heat & Ventilating Supervisor
5154	Cable Machinery Supervisor
5155	Chief Sta Eng, Water Treatment Plant
5156	Chief Sta Eng. Sewage Plant
5157	Maintenance Planner
5158	Wire Rope Cable Maint. Supervisor
5159	Apprentice Stationary Engineer
5160	Stationary Engineer
5161	Senior Stationary Engineer
5162	Appren Sta Eng., Treatment Plant
5163	Stationary Engineer Water Treatment
5164	Senior Sta. Eng. Water Treatment
5165	Stationary Engineer, Sewage Plant
5166	Senior Sta Eng. Sewage Plant
5167	Appr. Sta. Eng., Sewage Plant
5168	Bridgetender
5169	Wire Rope Cable Maint Mechanic
5170	Wire Rope Cable Maint. Mech Trainee
5171	Airport Mechanical Maint Supervisor

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In addition to extending the period of time through June 20, 2001, the fiscal provisions included in the proposed MOU are as follows:

Wage Increases

<u>Effective Date</u>	<u>Percent Increase</u>
July 1, 1998	3.5%
December 26, 1998	2.5
July 1, 1999	3.0
December 25, 1999	1.5
July 1, 2000	3.0
January 6, 2001	<u>1.5</u>
Total	15.0%

Other Fiscal Changes to MOU

The other major fiscal provisions are summarized in Attachment 1, which was prepared by DHR.

Comments:

1. Given the delay in receiving this MOU from the Department of Human Resources and the Budget Analyst's need to currently focus our efforts on the review of the FY 1998-99 budget, the Budget Analyst did not have sufficient time to conduct a comprehensive review of this proposed MOU.

2. Attachment 2 contains the Controller's cost estimates for the proposed wage increases and associated fringe benefit increases. As reflected in Attachment 2, the Controller estimates increased additional costs of \$1,686,016 in FY 1998-99, \$3,568,808 in FY 1999-2000 and \$5,340,336 in 2000-01 as a result of the proposed MOU. Over the three-year term of the proposed Stationary Engineer Local 39 MOU, the Controller estimates additional cumulative costs of \$10,595,161 will result.

The Budget Analyst concurs with this estimate. However, the Budget Analyst notes that there is also a provision contained in this MOU which allows provisional and as-needed employees who work 1,040 hours within a year to receive all benefits provided to permanent employees. The

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Memo to Finance Committee
June 10, 1998 Finance Committee Meeting

Budget Analyst reports that this provision will also result in additional fiscal impacts, although the amount is not expected to be significant.

Recommendation: Approval of the proposed MOU is a policy matter for the Board of Supervisors.



ECONOMIC HIGHLIGHTS FOR STATIONARY ENGINEERS, LOCAL 39

Article/Section Subject

III.A.

Wages

15% over the term of the MOU:

July 1, 1998 3.5% base salary increase

December 26, 1998 An additional 2.5%

July 1, 1999 An additional 3.0%

December 25, 1999 An additional 1.5%

July 1, 2000 An additional 3.0%

January 6, 2001 An additional 1.5%

Codification and Standardization of Past Practices

V.D.

1. Safety Shoes

Safety shoes provided as deemed appropriate by and authorized by the Appointing Officer.

II.B.

2. Certification Upgrades

Reimbursement for certification upgrades authorized by the Appointing Officer.

IV.E.

3. Professional Association Fee Reimbursement

Reimbursement up to a maximum of \$100.00 for professional associations for employees in class Chief Engineer and above.

III.G.

Floating Holidays

3 Floating holidays - Status Quo

III.E.

Health, Welfare, and Dental Insurance Contributions

Employee and dependant health coverage - Status Quo

III.D.

Retirement Contribution

Status Quo



ANDREA R. GOURDINE
HUMAN RESOURCES DIRECTOR

ECONOMIC HIGHLIGHTS FOR STATIONARY ENGINEERS, LOCAL 39

Page 2

Article/Section	Subject
IV.A.	<p><u>Tuition Reimbursement</u></p> <p>Sets limit of \$250.00 annually per employee subject to funds available.</p>
III.E.	<p><u>Provisional Employee Benefits</u></p> <p>Provisional and as-needed employees who work 1040 hours in any consecutive twelve month period shall receive all benefits provided to permanent employees, including but not limited to retirement, employee health care, dependent health care, dental coverage vacation, sick leave pay, and holiday pay.</p>
VI.E.	<p><u>Term</u></p> <p>Three year term of agreement</p>

Attachment A
Stationary Engineers, Local 39
Estimated Costs 1998-99 through 2000-01
Controller's Office

<u>Annual Incremental Costs/(Savings)</u>	<u>FY 1998-99</u>	<u>FY 1999-00</u>	<u>FY 2000-01</u>
Wage Increases			
3.5% on 7/1/98 and 2.5% on 12/28/98	\$1,462,033		
3.0% on 7/1/99 and 1.5% on 12/25/99		\$1,632,667	
3.0% on 7/1/00 and 1.5% on 1/6/2001			\$1,536,185
Wage-Related Fringe Increases	<u>223,983</u>	<u>250,125</u>	<u>235,344</u>
Total Estimated Incremental Costs	<u>1,686,016</u>	<u>1,882,792</u>	<u>1,771,528</u>
Annual Amount Above 1997-98 Level	1,686,016	3,568,808	5,340,336
Cumulative Total Above 1997-98 Provisions			\$10,595,161
Incremental Cost % of Salary Base	5.48%	5.77%	5.19%

Item 9 - File 98-927

Department: Department of Human Resources (DHR)

Item: Ordinance implementing the provisions of an arbitration award for a Memorandum of Understanding (MOU) between the Deputy Sheriffs' Association and the City and County of San Francisco, to be effective July 1, 1998 through June 30, 2001.

Description: In June of 1995, the Board of Supervisors approved an arbitration award for a MOU with the Deputy Sheriffs' Association for the three-year period from July 1, 1995 through June 30, 1998. The proposed ordinance would implement the provisions of another arbitration award to extend the terms of the MOU with the Deputy Sheriffs' Association for another three-year period from July 1, 1998 through June 30, 2001.

An arbitration award was required because the Deputy Sheriffs' Association and the City representatives could not reach agreement on the provisions of the subject MOU. As a result, in accordance with Charter Section 8.409-4(d), a three-party Board of Arbitrators were selected by the City and the Deputy Sheriffs' Association. The Board of Arbitrators was comprised of Mr. John Walsh, the City-designated arbitrator, Mr. Robert Boileau, the union-designated arbitrator and Mr. Donald H. Wollett, a neutral arbitrator. Mediation and arbitration hearings were held on May 4, 12, 13 and 15, 1998. The Board of Arbitrators met separately on May 18 and 20, 1998 to determine the proposed award.

The Deputy Sheriff's Association covers the following seven classifications, for a total of 748 employees.

<u>Classification</u>	<u>Employee Title</u>
8302	Deputy Sheriff I
8304	Deputy Sheriff
8306	Senior Deputy Sheriff
8308	Sheriff's Sergeant
8310	Sheriff's Lieutenant
8312	Sheriff's Captain
8314	Chief Deputy Sheriff

In addition to extending the period of time through June 30, 2001, the major fiscal provisions of the proposed arbitrated MOU are as follows:

Wage Increases

The wage rates for all of the employees covered by the proposed MOU would be increased as follows:

<u>Effective Date</u>	<u>Percent Increase</u>
July 1, 1998	4.0%
December 26, 1998	2.0
July 1, 1999	3.0
December 25, 1999	2.0
July 1, 2000	2.5
January 6, 2001	<u>2.5</u>
Total	16.0%

As reflected above, all of the employees covered by the proposed MOU would receive wage increases totaling 16 percent over the three-year term of the proposed MOU.

Night Duty Premium

In addition to the wage increases noted above, employees, who as part of their regularly scheduled work shift, are required to work any hours between 5:00 p.m. and 7:00 a.m. will receive a night duty premium of eight percent per hour for the hours worked. Under the current MOU, the night duty premium is six and one-quarter percent.

Acting Assignment Pay

The proposed MOU would permit employees that are assigned to perform the duties of a higher classification for more than 21 consecutive working days to receive not less than an additional five percent over their base rate of pay, for the duration of their assignment. Under the current MOU, there is no specific provision for acting assignment pay. However, Ms. Alice Villagomez of the DHR reports that the language in the proposed MOU mirrors the language that was contained in the City's former Salary Standardization Ordinance.

Provisional (Non-Permanent) Employees

Effective July 1, 1998, each provisional (non-permanent) employee would receive a salary step increase after 2,080 hours in that provisional assignment and a salary step increase for each subsequent additional 2,080 hours in the assignment. Under the current MOU, provisional employees remain at the same salary step to which they were hired and cannot advance to higher steps in the salary schedule, until they become permanent employees. According to Ms. Villagomez, the majority of provisional miscellaneous employees in the City, who are covered by the Service Employees International Union (SEIU) contract, already receive such step advances.

Uniforms

Under the proposed MOU, the uniform allowance for each employee would be increased as follows:

Currently	\$675
Effective September 1, 1998	700
Effective September 1, 1999	725
Effective September 1, 2000	750

Staffing Levels

The current staffing levels in the County's jail facilities and courts, which are detailed in Appendix B of the proposed MOU, would be carried forward as the minimum staffing level. According to Ms. Villagomez, this is a new provision to codify the current staffing levels in the jails and the courts, partly as a result of the jails being under court-ordered staffing levels in the past.

In addition, a minimum staffing level for the Treasure Island Jail facility, which has not yet been finally set, would be added to the proposed MOU, after the Treasure Island facility has been in operation for six months. Ms. Villagomez assures the Budget Analyst that any changes to be added to the MOU to establish minimum staffing levels for the Treasure Island Jail would be subject to the approval by the Board of Supervisors. However, there is no such language in the MOU that specifies that the Board must approve such changes. The Budget Analyst questions whether the Board of Supervisors should be required to approve an MOU now without knowing the exact staffing levels that are to be added to the Treasure Island Jail facility and therefore without knowing the fiscal impact of this provision.

Professional Achievement/POST Premium

Under the proposed MOU, employees who possess an intermediate State Peace Officer Standards and Training (POST) certificate, will receive a premium of four percent of their base rate of pay. Employees who possess an advanced POST certificate will receive a six percent premium. Currently, employees with an intermediate or advanced POST certificate receive a flat \$40 or \$80 respectively, per pay period. Ms. Villagomez reports that the proposed change reflects comparable rates to those received by the uniformed personnel in the Police Department.

According to Mr. Kieran Murphy of the Employees Retirement System, the proposed increased POST premiums would affect the pension calculations and therefore increase the cost of retirement for the Deputy Sheriffs employees. It should be noted that the proposed MOU does not contain any caps or limits on the amount of the POST premiums that can be added for calculating retirement pay. Mr. Murphy reports that although the Deputy Sheriff employees are not part of the City's Retirement System, they do belong to the State's PERS, for which the City must make contributions for these employees. According to Mr. Murphy, similar to the City, the State PERS is currently experiencing favorable investment results, such that it is anticipated that the City will not have to make any contribution for employees in the State PERS for the next fiscal year.

Salary Step Adjustments for 8302, Deputy Sheriff I

All 8302, Deputy Sheriff I employees, which is the entry cadet level, will after one year move to the salary step of an 8304, Deputy Sheriff, salary step 1 position. One year after achieving step 1, the 8302 Deputy Sheriff I employee will move to salary step 2 of the 8304 Deputy Sheriff classification, if the employee has not otherwise advanced to that position. Probationary and current requirements for the 8302 Deputy Sheriff I positions will be maintained at 18 months.

Ms. Villagomez reports that these salary step adjustments are proposed because after a year, (1) the 8302 Deputy Sheriff Is are generally performing similar functions that 8304 Deputy Sheriff employees perform and (2) most City employees advance to the next step in their classification after one year and the 8302 Deputy Sheriff I classification is a flat rate, which does not allow for such advancement. As a result, Ms. Villagomez reports that this provision will award like pay for like work and allow for such step advancement.

However, the Budget Analyst questions whether this provision will further erode recommendations previously made by the Budget Analyst's Office in the City's FY 1994-95 budget, that were approved by the Board of Supervisors to achieve significant cost savings and efficiencies. The Budget Analyst recommended the creation of the new lower paid 8302 Deputy Sheriff I positions, which did not require the training and skills of a full Deputy Sheriff and which were designed to perform different administrative and other functions from the 8304 Deputy Sheriff employees. Under the original recommendation, the 8302 Deputy Sheriff I employees would only have been able to advance to the 8304 Deputy Sheriff classification, through attrition, or if a vacancy occurred for a 8304 Deputy Sheriff. That original recommendation was since eroded by the Sheriff's Department, which now permits all 8302 Deputy Sheriff I employees to become 8304 Deputy Sheriffs after 18 months, regardless of vacancies or functions performed. The proposed MOU provision further erodes any potential savings by enabling the 8302 Deputy Sheriff I employees to receive the higher 8304 Deputy Sheriffs pay after only 12 months, instead of 18 months. The Budget Analyst notes that the increase from the 8302 Deputy Sheriff I classification to the 8304 Deputy Sheriff classification results in approximately a 20 percent annual pay increase for these employees.

Sick Leave Accrual

The proposed MOU would eliminate the ability of employees accruing sick leave at an accelerated rate (twice the regular rate), which currently occurs after an employee returns from disability leave. Under the proposed MOU, employees returning from disability leave would instead accrue sick leave at the regular rate.

Unpaid Leave Benefits

The proposed MOU will extend the provisions that the City will cease payment of any and all

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BUDGET ANALYST

contributions for employee health and dental benefits for those employees who remain on unpaid status, with the exception of Workers Compensation leave, Family Medical Leave Act leave, which is a Federal law that entitles employees to unpaid leave for medical reasons and/or the California Family Rights Act leave, which is a State law that entitles employees to unpaid leave for pregnancies, births or other family purposes in excess of 12 continuous weeks.

Ms. Vicki Clayton of the City Attorney's Office reports that the proposed exception was included because Federal and State laws prohibit the City from cutting off benefits for those employees who are on such approved leaves.

Comments:

1. In addition to the above-noted fiscal provisions, the proposed MOU also contains the following provisions that do not, in and of themselves, have fiscal impact: (a) various wording changes, including standardizing appropriate provisions of the former Salary Standardization Ordinance, (b) a provision requiring the Employee Relations Division to respond to written requests within ten days regarding compensatory time off for Z designated employees, (c) a provision addressing the Americans with Disabilities Act (ADA), (d) a modified grievance procedure, which expedites the process for bringing issues to resolution, (e) codifies the City's guidelines for making assignments for the return-to-work program in the Sheriff's Department and (f) a zipper clause, which closes the terms of the agreement to the specific provisions contained in the proposed MOU.

2. The Attachment contains the Controller's cost estimates for the proposed wage increases and associated fringe benefit increases, as well as the cost of the POST certification premium, other premium pay increases and the increase for the uniform allowance. As reflected in the Attachment, the Controller estimates increased additional costs of \$2,956,613 in FY 1998-99, \$5,307,255 in FY 1999-2000 and \$7,653,398 in FY 2000-01 as a

result of the proposed MOU. Over the three-year term of the proposed Deputy Sheriffs' Association MOU, the Controller estimates additional cumulative costs of \$15,917,266 will result.

The Budget Analyst concurs with this estimate. However, the Budget Analyst notes that there are also other provisions in the proposed MOU, such as (1) minimum staffing requirements for the jails, courts and, after six months, the Treasure Island facility, (2) enabling provisional employees to receive step increases, (3) acting assignment pay, and (4) salary step adjustments for the 8302, Deputy Sheriff I classification, which could collectively significantly increase the City's costs. Based on discussions with the Controller's Office, the costs for these provisions cannot be estimated at this time.

3. Ms. Clayton reports that the arbitrator's decision is final and binding and the Board of Supervisors is required to approve the proposed ordinance, which would implement the provisions of the arbitrated settlement, unless there is a legal basis for a challenge.

Recommendation:

Although the City Attorney advises that the arbitrator's decision is final and binding, the Budget Analyst questions the inclusion of the following three major provisions in this MOU:

(1) Minimum Staffing Levels for the Treasure Island Jail facility, which have not yet been finally set, would be added to the proposed MOU, after the Treasure Island facility has been in operation for six months, which is subsequent to the approval of this MOU by the Board of Supervisors. The Budget Analyst questions whether the Board of Supervisors should be required to approve an MOU now, without knowing the exact staffing levels that are to be added to the Treasure Island Jail facility and therefore without knowing the fiscal impact of this provision. Ms. Villagomez assures the Budget Analyst that any changes to be added to the MOU to establish minimum staffing levels for the

Treasure Island Jail would be subject to the approval by the Board of Supervisors. However, there is no such language in the MOU that specifies that the Board must approve such changes.

(2) Professional Achievement/POST Premium, which will convert the existing flat \$40 or \$80 per pay period POST Premium to be four percent or six percent of the employee's base pay. The proposed increased POST premiums would increase the cost of retirement for the Deputy Sheriffs employees without any caps or limits on the amount of the POST premiums that can be added for calculating retirement pay since the POST Premium will be based on a salary which typically increases each year.

(3) Salary Step Adjustments for 8302, Deputy Sheriff I to the salary step of an 8304, Deputy Sheriff, salary step 1 position after one year. After another year, the 8302 Deputy Sheriff I employee would move to step 2 of the 8304 Deputy Sheriff classification, if the employee has not otherwise advanced to that position. The Budget Analyst questions whether this provision will further erode strategies to achieve significant cost savings and efficiencies in the Sheriff's Department, that were approved by the Board of Supervisors in the FY 1994-95 budget.

Attachment A
San Francisco Deputy Sheriff's Association
Estimated Costs 1998-99 through 2000-01
Controller's Office

<u>Annual Incremental Costs/(Savings)</u>	<u>FY 1998-99</u>	<u>FY 1999-00</u>	<u>FY 2000-01</u>
Wage Increases			
4.0% on 7/1/98 and 2.0% on 12/28/98	\$1,972,970		
3.0% on 7/1/99 and 2.0% on 12/25/99		\$2,092,926	
2.5% on 7/1/00 and 2.5% on 1/6/2001			\$2,088,887
Wage-Related Fringe Increases	224,327	237,966	237,506
POST Certification Change	388,639		
Premium Pay Increase	350,928		
Uniform Allowance Increase	19,750	19,750	19,750
Total Estimated Incremental Costs	<u>2,956,613</u>	<u>2,350,642</u>	<u>2,346,143</u>
Annual Amount Above 1997-98 Level	2,956,613	5,307,255	7,653,398
Cumulative Total Above 1997-98 Provisions			\$15,917,266
Incremental Cost % of Salary Base	7.49%	5.62%	5.33%

Items 10 and 11 - Files 98-928 and 98-931

Department: Department of Human Resources (DHR)

Item: File 98-928: Ordinance implementing the provisions of an agreement for a Memorandum of Understanding (MOU) between the Municipal Executives Association (MEA) for Bargaining Units M, EM and MSA, and the City and County of San Francisco for the period July 1, 1998 through June 30, 2001.

File 98-931: Ordinance implementing the provisions of an amendment to the Memorandum of Understanding (MOU) between the City and County of San Francisco and the Municipal Executives Association, for the period July 1, 1997 through June 30, 1998 to add the Management Special Assistant (MSA) Bargaining Unit, under specified conditions. (The Management Special Assistant Bargaining Unit is included in the new proposed MOU under File 98-928.)

Description: In July of 1995, the Board of Supervisors approved an MOU with the Municipal Executives Association for the three-year period from July 1, 1995 through June 30, 1998. The proposed ordinance (File 98-928) would implement the provisions of an agreement for this MOU with the Municipal Executives Association for another three-year period from July 1, 1998 through June 30, 2001.

The other proposed ordinance (File 98-931) would add the following six classifications to the Municipal Executive Association bargaining unit:

<u>Classification</u>	<u>Employee Title</u>
1372	Special Assistant XIII
1373	Special Assistant XIV
1374	Special Assistant XV
1375	Special Assistant XVI
1376	Special Assistant XVII
1377	Special Assistant XVIII

In addition, this ordinance would exclude certain provisions from applying to the new MEA bargaining unit, that would otherwise apply to the other MEA classifications. These provisions that would not apply to the MEA bargaining unit address those Management Special Assistants working in departments where the appointing officer is an elected official (e.g., Offices of the Mayor, City Attorney, District Attorney, Public Defender, Sheriff, Assessor or Treasurer), such that these employees would be ineligible for acting assignment pay and callback pay and allowing for discretionary salary step placement.

The Municipal Executive Association (MEA) covers 308 classifications for a total of approximately 710 employees. A listing of the 308 classifications are contained in Attachment 1, which is an Appendix to the proposed MOU.

In addition to extending the period of time through June 20, 2001, the fiscal provisions included in the proposed MOU are as follows:

Wage Increases

<u>Effective Date</u>	<u>Percent Increase</u>
October 1, 1998	3.0%
October 1, 1999	3.0
October 1, 2000	<u>3.0</u>
Total	9.0%

As reflected above, the MEA employees covered by the proposed MOU would receive a total of nine percent salary increases over the three-year period of the agreement.

Pay for Performance

In addition, to the above noted wage increases, MEA employees could receive additional pay for performance incentive increases. These performance incentive increases would be paid on

or after October 1 of each year and could range from negative one percent (which would adjust the subsequent year's wage increase down to two percent) up to three percent of the employee's annual salary, depending on the employee's performance rating. The total performance incentive awards would be limited by an aggregate cap or limit of 1.5 percent of the MEA payroll, unless an individual department overrides this amount and the funds come from that individual department's budget. Although under the proposed MOU, these pay for performance awards would be considered in retirement calculations, the awards would not compound from year to year, but instead would be considered as a bonus for that specific year.

Other Fiscal Changes to MOU

The other major fiscal provisions are summarized in Attachment 2, which was prepared by DHR.

Comments:

1. Given the delay in receiving these two MOUs from the Department of Human Resources and the Budget Analyst's need to currently focus our efforts on the review of the FY 1998-99 budget, the Budget Analyst did not have sufficient time to conduct a comprehensive review of these two proposed MOUs.
2. Attachment 3 contains the Controller's cost estimates for the proposed wage increases, including the pay for performance provision and associated fringe benefit increases as well as the internal adjustments, Airport internal adjustments, IS Study, management training program and life insurance policies. As reflected in Attachment 3, the Controller estimates increased additional costs of \$3,588,153 in FY 1998-99, \$5,235,264 in FY 1999-2000 and \$6,931,788 in 2000-01 as a result of the proposed MOU. Over the three-year term of the Municipal Executives Association MOU, the Controller estimates additional cumulative costs of \$15,755,205 will result.

The Budget Analyst concurs with this estimate. However, the Budget Analyst notes that there are also provisions contained in this MOU which increase dependent care health benefits and provide severance pay, POST certification premiums and professional reimbursements, for which costs are not estimated. The Budget Analyst reports that these provisions will result in additional fiscal impacts, although the amount is not expected to be significant.

Recommendations: Amend the proposed ordinance (File 98-931) to make it retroactive to July 1, 1997, the effective date of the MOU.

Approval of the proposed MOUs, as amended, are policy matters for the Board of Supervisors.

Municipal Executives Association Represented Classifications

Unit	Class	Title
EM	1101	DIRECTOR, PARKING AND TRAFFIC COMMISSION
M	1102	PARKING AUTHORITY ASSISTANT DIRECTOR
EM	1103	DIRECTOR, CONVENTION FACILITIES
M	1104	PARKING AUTHORITY DIRECTOR
EM	1105	EXECUTIVE DIRECTOR, RENT ARBITRATION BOARD
M	1107	DEPUTY DIRECTOR, RENT ARBITRATION BOARD
EM	1108	EXECUTIVE DIRECTOR, HEALTH SERVICE SYSTEM
M	1110	EXECUTIVE ASSISTANT TO THE GENERAL MANAGER, RETIREMENT SYSTEM
M	1111	EXECUTIVE DIRECTOR, RELOCATION APPEALS BOARD
EM	1112	RETIREMENT SYSTEM GENERAL MANAGER
M	1114	ADMINISTRATOR, RETIREMENT SERVICES
M	1115	CHIEF INVESTMENT OFFICER
M	1118	COMMERCIAL DIVISION MANAGER
EM	1120	DIRECTOR OF ANIMAL CARE AND CONTROL
M	1121	DEPUTY DIRECTOR OF ANIMAL CARE AND CONTROL
M	1125	DIVISION MANAGER, REGISTRAR OF VOTERS
EM	1126	PUBLIC ADMINISTRATOR
EM	1128	REGISTRAR OF VOTERS
M	1131	ASSISTANT PUBLIC ADMINISTRATOR, PUBLIC GUARDIAN
EM	1132	COUNTY CLERK-RECORDER
EM	1140	DEPUTY CLERK OF THE BOARD OF SUPERVISORS
EM	1146	CLERK OF THE BOARD, LEGISLATIVE ADMINISTRATOR AND CITY CLERK
EM	1150	GENERAL MANAGER, DEPARTMENT OF ELECTRICITY
M	1160	ASSISTANT DIRECTOR OF PURCHASING AND SERVICES
EM	1161	EXECUTIVE ASSISTANT TO THE ADMINISTRATOR, S.F.G.H.
M	1162	DIRECTOR OF PURCHASING AND SERVICES
EM	1163	EXECUTIVE ASSISTANT TO THE DIRECTOR OF HEALTH
EM	1164	ADMINISTRATOR, SFGH MEDICAL CENTER
EM	1168	DIRECTOR OF HEALTH
EM	1172	GENERAL MANAGER OF PUBLIC UTILITIES COMMISSION
EM	1182	CHIEF ADMINISTRATIVE OFFICER
M	1234	DIRECTOR OF TRAINING
M	1235	MANAGER, EQUAL EMPLOYMENT OPPORTUNITY PROGRAMS
M	1237	TRAINING COORDINATOR
M	1238	ASSISTANT PAYROLL DIRECTOR
M	1239	PAYROLL DIRECTOR (CONTROLLERS)
M	1248	ASSISTANT DIVISION MANAGER, PERSONNEL
M	1270	DEPARTMENTAL PERSONNEL OFFICER
M	1272	SENIOR DEPARTMENTAL PERSONNEL OFFICER
M	1276	DEPARTMENTAL PERSONNEL DIRECTOR
EM	1278	DIVISION MANAGER PERSONNEL
EM	1285	EXECUTIVE OFFICER, CIVIL SERVICE COMMISSION
M	1340	ASSISTANT TO THE GENERAL MANAGER, PUC-PUBLIC RELATIONS
M-SA	1372	SPECIAL ASSISTANT XIII
M-SA	1373	SPECIAL ASSISTANT XIV
M-SA	1374	SPECIAL ASSISTANT XV
M-SA	1375	SPECIAL ASSISTANT XVI
M-SA	1376	SPECIAL ASSISTANT XVII

MEMORANDUM OF UNDERSTANDING FY 1998-2001
CITY AND COUNTY OF SAN FRANCISCO AND
MUNICIPAL EXECUTIVES ASSOCIATION

Municipal Executives Association Represented Classifications

Unit	Class	Title
M-SA	1377	SPECIAL ASSISTANT XVIII
M	1540	SECRETARY, FIRE COMMISSION
M	1554	ADMINISTRATIVE SECRETARY, PUBLIC UTILITIES COMMISSION
M	1556	ADMINISTRATIVE SECRETARY, CITY PLANNING COMMISSION
M	1555	ASSISTANT DIRECTOR, ART COMMISSION
EM	1575	EXECUTIVE DIRECTOR, BOARD OF PERMIT APPEALS
M	1658	CHIEF ACCOUNTANT
M	1660	MANAGER, BUDGET AND PERFORMANCE MONITORING
M	1665	DIRECTOR OF PATIENT ACCOUNTS
M	1666	FINANCE DIRECTOR, DEPARTMENT OF PUBLIC HEALTH
M	1673	ACCOUNTING OPERATIONS MANAGER
EM	1674	DIRECTOR OF ACCOUNTING AND SYSTEMS
M	1675	SUPERVISING FISCAL OFFICER
EM	1677	ASSISTANT GEN MGR, FIN. BUREAU OF FINANCIAL MANAGEMENT, PUC
M	1679	FINANCIAL REPORTS SPECIALIST
EM	1680	CHIEF ASSISTANT CONTROLLER
EM	1682	CONTROLLER
M	1683	BUDGET & FISCAL OPERATIONS MANAGER
M	1688	CHIEF AUDITOR
EM	1690	INTERNAL AUDIT DIRECTOR
M	1776	ASSISTANT REPRODUCTION SERVICES MANAGER
M	1778	REPRODUCTION SERVICES MANAGER
M	1779	MANAGER, REPRODUCTION AND MAIL SERVICES CENTER
M	1780	ASSISTANT CHIEF, COMPUTER OPERATIONS AND SUPPORT SERVICES
M	1816	ACTUARY
M	1821	MANAGEMENT INFORMATION SYSTEMS MANAGER
M	1826	CITY SHOP FLEET ADMINISTRATOR
M	1839	WATER CONSERVATION ADMINISTRATOR
M	1841	RATE ADMINISTRATOR
M	1843	EXECUTIVE DIRECTOR, SOUTHEAST COMMUNITY FACILITY COMMISSION
M	1879	PROJECT MANAGER, SPECIAL PROJECT
M	1880	CHIEF OF SYSTEMS
M	1881	ASSISTANT DIRECTOR, SYSTEMS AND DATA PROCESSING
EM	1882	DIRECTOR, SYSTEMS AND DATA PROCESSING
M	1885	MANAGER, BUREAU OF MANAGEMENT INFORMATION SYSTEMS, PUC
M	1888	MANAGER, BUREAU OF ENERGY CONSERVATION, PUC
M	2108	DIRECTOR, MEDICAL STAFF SERVICES DEPARTMENT
M	2116	ASSOCIATE DIRECTOR, MEDICAL RECORDS
M	2117	CHIEF MEDICAL RECORDS ADMINISTRATOR, LAGUNA HONDA HOSPITAL
M	2118	DIRECTOR, MEDICAL RECORDS
M	2122	DIRECTOR OF PATIENT FINANCIAL SERVICES AND ADMISSIONS
M	2140	HOSPITAL ADMINISTRATIVE ASSISTANT
M	2143	HOSPITAL ASSISTANT ADMINISTRATOR
EM	2145	HOSPITAL ASSOCIATE ADMINISTRATOR
EM	2148	SENIOR HOSPITAL ASSOCIATE ADMINISTRATOR
EM	2171	ASSOCIATE ADMINISTRATOR, MEDICAL SERVICES, LAGUNA HONDA HOSPITAL
EM	2182	ADMINISTRATOR, LAGUNA HONDA HOSPITAL
EM	2235	MEDICAL DIRECTOR, DEPARTMENT OF HEALTH

Municipal Executives Association Represented Classifications

Unit	Class	Title
EM	2237	MEDICAL DIRECTOR, EMERGENCY MEDICAL SVCS AGENCY
M	2244	HEALTH CENTER DIRECTOR
M	2246	ASSISTANT DIRECTOR OF CLINICAL SERVICES I
M	2248	ASSISTANT DIRECTOR OF CLINICAL SERVICES II
EM	2369	DIRECTOR OF NURSES, LAGUNA HONDA HOSPITAL
M	2452	DIRECTOR OF PHARMACEUTICAL SERVICES
M	2455	PHARMACY DIRECTOR, LAGUNA HONDA HOSPITAL
M	2459	FORENSIC LABORATORY MANAGER
M	2466	CHIEF MICROBIOLOGIST
M	2492	DIRECTOR, PUBLIC HEALTH LABORATORIES
M	2498	DIRECTOR, RADIOLOGY
M	2557	DIRECTOR OF THERAPEUTIC ACTIVITIES, LHH
M	2560	REHABILITATION COORDINATOR
EM	2581	ADMINISTRATIVE CORONER
EM	2584	CHIEF MEDICAL EXAMINER - CORONER
M	2596	EMPLOYEE REFERRAL PROGRAM DIRECTOR
M	2620	FOOD SERVICE MANAGER ADMINISTRATOR
M	2660	ASSISTANT DIRECTOR, FOOD SERVICES
M	2662	DIRECTOR OF FOOD SERVICES
M	2742	GENERAL SERVICES SUPERVISOR
M	2785	ASSISTANT GENERAL SERVICES MANAGER
M	2786	GENERAL SERVICES MANAGER
M	2804	EPIDEMIOLOGIST III
M	2816	CHIEF, BUREAU OF RECORDS AND STATISTICS
M	2821	DIRECTOR OF HEALTH PROGRAM PLANNING
M	2824	CHIEF, BUREAU OF HEALTH EDUCATION
M	2850	DIRECTOR OF NUTRITION SERVICES, DPH
M	2880	DIRECTOR OF BUSINESS AND OPERATIONS, MENTAL HEALTH PROGRAMS
EM	2891	DEPUTY DIRECTOR FOR BUSINESS & OPERATIONS, DEPARTMENT OF PUBLIC HEALTH
EM	2894	PROGRAM CHIEF, COMMUNITY PUBLIC HEALTH SERVICES
EM	2895	DEPUTY DIRECTOR FOR MENTAL HEALTH PROGRAMS
EM	2896	DEPUTY DIRECTOR OF COMMUNITY HEALTH PROGRAMS
M	2925	CHIEF MEDICAL SOCIAL SERVICES
M	2947	HOSPITAL ELIGIBILITY MANAGER, DEPT. OF PUBLIC HEALTH
M	2964	DIRECTOR, BUDGET AND PLANNING
M	2965	SOCIAL SERVICES RESOURCE MANAGER
M	2968	SOCIAL SERVICES MANAGER, INVESTIGATIONS
M	2969	SOCIAL SERVICES PROGRAM MANAGER
M	2970	DIRECTOR, ADMINISTRATIVE SERVICES, DEPARTMENT OF SOCIAL SERVICES
EM	2973	ASSISTANT GENERAL MANAGER, DEPARTMENT OF SOCIAL SERVICES
EM	2974	GENERAL MANAGER, DEPARTMENT OF SOCIAL SERVICES
EM	2984	DEPUTY DIRECTOR, HUMAN RIGHTS COMMISSION
EM	2985	DEPUTY DIRECTOR, COMMISSION ON THE AGING
EM	2986	DIRECTOR, HUMAN RIGHTS COMMISSION
EM	2988	DIRECTOR, AGING PROGRAM
EM	2999	EXECUTIVE DIRECTOR, COMMISSION ON THE STATUS OF WOMEN
M	3110	EXECUTIVE SECRETARY TO THE GENERAL MANAGER, RECREATION AND PARK DEPT
M	3130	ARBORETUM DIRECTOR

Municipal Executives Association Represented Classifications

Unit	Class	Title
M	3135	DIRECTOR OF NEIGHBORHOOD SERVICES, RECREATION AND PARK DEPARTMENT
EM	3138	ASSISTANT GENERAL MANAGER FOR ADMINISTRATION
EM	3140	GENERAL MANAGER, RECREATION AND PARK DEPARTMENT
M	3231	GOLF PROGRAM DIRECTOR
M	3233	MARINA ASSOCIATE MANAGER
EM	3294	RECREATION SUPERINTENDENT
M	3338	ASSISTANT ZOO DIRECTOR, OPERATIONS AND MAINTENANCE
EM	3340	ZOO DIRECTOR
EM	3350	PARKS SUPERINTENDENT
M	3426	URBAN FORESTER
M	3453	ASST AGRICULTURAL COMMISSIONER-SEALER OF WEIGHTS AND MEASURES
EM	3456	COUNTY AGRICULTURAL COMMISSIONER AND SEALER OF WEIGHTS AND MEASURES
M	3464	AREA SUPERVISOR, PARKS, SQUARES AND FACILITIES
M	3466	ASSISTANT SUPERINTENDENT, PARKS, SQUARES AND FACILITIES
M	3486	WATERSHED FORESTER
M	3488	WATERSHED RESOURCES MANAGER
M	3532	PROGRAM MANAGER, KALW RADIO STATION
M	3547	CURATOR V
M	3561	DIRECTOR OF EXHIBITIONS, MUSEUMS AND CULTURAL EXCHANGE
EM	3562	DIRECTOR, CULTURAL AFFAIRS
M	3563	DIRECTOR, NEIGHBORHOOD ART PROGRAM, ART COMMISSION
EM	3570	DIRECTOR AND CHIEF CURATOR OF MUSEUMS
EM	3587	DEPUTY DIRECTOR FOR ADMINISTRATION AND DEVELOPMENT, MUSEUMS
EM	3588	DEPUTY DIRECTOR AND CHIEF CURATOR, ASIAN ART MUSEUM
EM	3638	CHIEF LIBRARIAN
M	3640	COORDINATOR, CHILDREN'S LIBRARY ACTIVITIES
M	3642	COORDINATOR, ADULT LIBRARY SERVICES
EM	3670	CITY LIBRARIAN
M	4120	ASSISTANT MANAGING DIRECTOR, WAR MEMORIAL PERFORMING ARTS CENTER
EM	4124	MANAGING DIRECTOR, WAR MEMORIAL PERFORMING ARTS CENTER
EM	4144	ASSISTANT DIRECTOR OF PROPERTY
EM	4150	DIRECTOR OF PROPERTY
M	4212	CHIEF, TECHNICAL AND ASSESSMENT SERVICES
M	4226	CHIEF PERSONAL PROPERTY AUDITOR
M	4256	CHIEF OF ASSESSMENT STANDARDS
M	4269	CHIEF APPRAISER
EM	4282	CHIEF ASSISTANT ASSESSOR
M	4294	ADMINISTRATOR, ASSESSMENT APPEALS BOARD
M	4310	COMMERCIAL DIVISION ASSISTANT SUPERVISOR
M	4311	COMMERCIAL DIVISION SUPERVISOR
M	4332	PORTFOLIO MANAGER
M	4333	SENIOR INVESTMENT OFFICER
M	4349	DIRECTOR OF REAL ESTATE, TAX COLLECTOR'S OFFICE
M	4368	DIRECTOR, BUREAU OF DELINQUENT REVENUE
EM	4373	DEPUTY TAX ADMINISTRATOR
EM	4374	TAX ADMINISTRATOR
M	4377	ASSISTANT CASH MANAGEMENT AND INVESTMENT
M	4378	CASH MANAGEMENT AND INVESTMENT OFFICER

Municipal Executives Association Represented Classifications

Unit	Class	Title
EM	4384	CHIEF ASSISTANT TREASURER
M	5102	PUBLIC BUILDINGS MAINTENANCE AND REPAIR ASSISTANT SUPERINTENDENT
M	5104	PUBLIC BUILDINGS MAINTENANCE AND REPAIR SUPERINTENDENT
M	5109	DEPUTY ZONING ADMINISTRATOR
EM	5112	ASSISTANT DIRECTOR OF PLANNING - IMPLEMENTATION (ZONING ADMINISTRATOR)
EM	5115	DEPUTY DIRECTOR OF PLANNING
EM	5116	DIRECTOR OF PLANNING
M	5122	ASSISTANT CITY ARCHITECT
M	5124	BUREAU MANAGER, DEPARTMENT OF PUBLIC WORKS
M	5131	BUREAU CHIEF, DEPARTMENT OF PUBLIC WORKS
M	5132	MANAGER, BUREAU OF WATER POLLUTION CONTROL
M	5134	DEPUTY MANAGER, BUREAU OF WATER POLLUTION CONTROL
M	5135	ASSISTANT SUPERINTENDENT OF STREET AND SEWER REPAIR
M	5136	SUPERINTENDENT OF STREET AND SEWER REPAIR
M	5137	MAINTENANCE ENGINEERING MANAGER, HETCH HETCHY PROJECT
EM	5138	HETCH HETCHY PROJECT SUPERINTENDENT OF OPERATIONS
M	5150	ASSISTANT DIVISION MANAGER, ALAMEDA DIVISION
M	5155	DIVISION MANAGER, SUBURBAN OPERATIONS
M	5160	CITY DISTRIBUTION DIVISION MANAGER
M	5162	WATER PURIFICATION DIVISION MANAGER
M	5164	WATER RESOURCES & PLANNING MANAGER
EM	5165	DEPUTY GENERAL MANAGER, OPERATIONS AND MAINTENANCE, WATER DEPT
EM	5166	ASSISTANT GENERAL MANAGER, PUBLIC UTILITIES
M	5170	STREET CLEANING AND PLANTING SUPERINTENDENT
M	5173	STREET CLEANING AND PLANTING ASSISTANT SUPERINTENDENT
M	5179	ASSISTANT SUPERINTENDENT, BUILDING INSPECTION
EM	5180	DEPUTY DIRECTOR, DEPT. OF BUILDING INSPECTION
EM	5181	DIRECTOR, DEPT. OF BUILDING INSPECTION
EM	5182	DEPUTY DIRECTOR OF PUBLIC WORKS AND ENGINEERING
EM	5185	GENERAL MANAGER, HETCH HETCHY PROJECT
M	5186	FINANCIAL MANAGER
EM	5189	MANAGER, UTILITIES ENGINEERING BUREAU, PUBLIC UTILITIES COMMISSION
EM	5190	DIRECTOR OF PUBLIC WORKS
M	5191	CHIEF, BUREAU OF SUBDIVISIONS, SURVEYS AND MAPPING
M	5192	ASSISTANT TO DIRECTOR OF PUBLIC WORKS
EM	5193	DEPUTY DIRECTOR OF PUBLIC WORKS FOR FINANCIAL MANAGEMENT & ADMIN.
EM	5194	DEPUTY DIRECTOR OF PUBLIC WORKS FOR OPERATION
M	5212	PRINCIPAL ENGINEER
EM	5233	PRINCIPAL TRAFFIC ENGINEER
M	5246	RADIO ENGINEER
M	5404	SPECIAL ASSISTANT FOR PROGRAM DEVELOPMENT
M	6126	DIRECTOR, BUREAU OF ENVIRONMENTAL HEALTH SERVICES
M	6127	ASSISTANT DIRECTOR, BUREAU OF ENVIRONMENTAL HEALTH SERVICES
M	6141	MANAGER, OFFICE OF HEALTH AND SAFETY
M	7123	MACHINE SHOP AND PARKING METER SUPERINTENDENT
M	7130	GENERAL SUPERINTENDENT, FACILITIES MAINTENANCE
M	7131	ELECTRICAL MAINTENANCE AND CONSTRUCTION SUPERINTENDENT
EM	7140	DIRECTOR, PARKING AND TRAFFIC OPERATIONS

Municipal Executives Association Represented Classifications

Unit	Class	Title
M	7150	CITY SHOPS GENERAL SUPERINTENDENT
M	7263	MAINTENANCE MANAGER
M	7283	TRACK MAINTENANCE SUPERINTENDENT, MUNICIPAL RAILWAY
M	8127	CHIEF INVESTIGATOR, OFFICE OF CITIZEN COMPLAINTS
EM	8128	DIRECTOR, OFFICE OF CITIZEN COMPLAINTS
M	8148	CHIEF DISTRICT ATTORNEY'S INVESTIGATOR
M	8150	PRINCIPAL DISTRICT ATTORNEY'S INVESTIGATOR, SPECIAL UNIT
M	8153	PRINCIPAL CLAIMS INVESTIGATOR, CITY ATTORNEY'S OFFICE
M	8155	CHIEF, BUREAU OF CLAIMS INVESTIGATION AND ADMINISTRATION
M	8160	ASSISTANT CHIEF, FAMILY SUPPORT INVESTIGATOR
M	8161	CHIEF, FAMILY SUPPORT INVESTIGATOR
M	8166	WORKER'S COMPENSATION SUPERVISOR II
M	8171	LAW OFFICE MANAGER
EM	8184	CHIEF ATTORNEY II (CIVIL AND CRIMINAL)
EM	8185	DIRECTOR, FAMILY SUPPORT BUREAU
M	8186	ATTORNEY FOR THE PUBLIC ADMINISTRATOR
M	8220	DIRECTOR, PARKING ENFORCEMENT
M	8221	CHIEF OF PROTECTIVE SERVICES, TRANSPORTATION COMMISSION
M	8245	COMMUNICATIONS MANAGER, S.F. POLICE DEPARTMENT
EM	8315	ASSISTANT SHERIFF
M	8326	ASSISTANT DIRECTOR, BOYS RANCH SCHOOL
M	8330	DIRECTOR, LOG CABIN RANCH
M	8336	MANAGER, FINANCE AND ADMINISTRATION, JUVENILE PROBATION
M	8340	ASSISTANT DIRECTOR, JUVENILE HALL
EM	8344	DIRECTOR, JUVENILE HALL
EM	8348	UNDERSHERIFF
M	8413	ASST. CHIEF PROBATION OFFICER, JUVENILE PROBATION
EM	8416	DIRECTOR, PROBATION SERVICES
M	8417	DIRECTOR, COMMUNITY PROGRAMS, JUVENILE PROBATION
EM	8418	CHIEF PROBATION OFFICER, JUVENILE COURT
EM	8435	DIVISION DIRECTOR, ADULT PROBATION
EM	8436	CHIEF ADULT PROBATION OFFICER
M	8470	EXECUTIVE DIRECTOR, COUNTY PAROLE COMMISSION
M	8488	DIRECTOR, CRIME PREVENTION PROGRAM
M	9142	TRANSIT MANAGER III
M	9146	MANAGER, ACCESSIBLE SERVICES
M	9161	ASST. CHIEF, BUREAU OF CLAIMS INVEST. & ADMINISTRATION
M	9188	TRANSIT EQUIPMENT ENGINEER, MUNICIPAL RAILWAY
M	9189	DIRECTOR OF PLANNING, MUNICIPAL RAILWAY
EM	9193	DEPUTY GENERAL MANAGER, ADMINISTRATION, MUNICIPAL RAILWAY
M	9205	AIRPORT COMMUNICATIONS COORDINATOR
M	9222	AIRPORT OPERATIONS COORDINATOR
M	9226	AIRPORT OPERATIONS SUPERINTENDENT
M	9245	AIRPORT BUSINESS DEVELOPMENT COORDINATOR
M	9247	AIRPORT EMERGENCY PLANNING COORDINATOR
M	9248	AIRPORT FACILITIES SERVICES MANAGER
M	9253	DIRECTOR, BUREAU OF COMMUNITY AFFAIRS
M	9254	ASSISTANT TO THE DIRECTOR, BUREAU OF COMMUNITY AFFAIRS

Municipal Executives Association Represented Classifications

Unit	Class	Title
M	9256	AIRPORT ASSISTANT DEPUTY DIRECTOR, OPERATIONS
M	9258	AIRPORT ASSISTANT DEPUTY DIRECTOR, BUSINESS AND FINANCE
M	9260	AIRPORT ASSISTANT DEPUTY DIRECTOR, FACILITIES OPERATIONS & MAINTENANCE
EM	9270	AIRPORT DEPUTY DIRECTOR
EM	9278	DIRECTOR OF AIRPORTS
M	9357	CARGO OPERATIONS MANAGER
M	9359	ASSISTANT SUPERINTENDENT, HARBOR MAINTENANCE
M	9364	SUPERINTENDENT, HARBOR MAINTENANCE AND REPAIR
EM	9373	MANAGER OF MARKETING
M	9374	MANAGER, PORT PLANNING AND DEVELOPMENT
M	9378	DEVELOPMENT PROJECT COORDINATOR, PORT
EM	9379	CHIEF HARBOR ENGINEER
M	9382	GOVERNMENT AND PUBLIC AFFAIRS MANAGER, PORT
M	9386	SENIOR PROPERTY MANAGER, PORT
M	9390	EXECUTIVE ASSISTANT TO THE PORT DIRECTOR
M	9391	PUBLIC RELATIONS REPRESENTATIVE, PORT OF SAN FRANCISCO
M	9396	MANAGER, LEASING AND TENANT SERVICES
EM	9397	DEPUTY DIRECTOR, PORT
M	9398	MANAGER, REGULATORY AND ENVIRONMENTAL AFFAIRS
M	9776	SUPERVISING COMMUNITY DEVELOPMENT SPECIALIST

MEA Memorandum of Understanding
Spring 1998 Negotiations
 Highlights of Economic Provisions

1. Article III.E (p.18) Internal Adjustments:

1. Special Assistants:

Special Assistants will receive a one time lump sum payment of up to 2%, depending on availability of funds. Funds shall be drawn from and shall not exceed unencumbered balances of the MEA Management Development fund as of June 30, 1998.

2. Implementation of IS Study:

Agreement reached on wage rates and related wage administration of the new classifications resulting from the IT Study. New wage rates provide for expanded salary range set at \$89,001 - \$125, 734, with Control Point of \$114,022 for 1073 IS Director and \$74, 307 - \$105, 862 per year with Control Point of \$94,821 for 1071 IS Manager (IS Managers who supervise other IS Managers Control Point is \$99, 572). Appointments may not exceed the control point, and no current employee shall receive a salary increase of greater than 10% resulting from appointment.

3. Internal Adjustments Procedure:

Amount set aside for standard internal adjustments – \$325,000 annualized in third year. Airport permitted to make additional adjustments upon completion of internal classification study. Amount limited to 1% of SFIA salary budget and limited to specified classes.

*new
Est. cost
\$245,739
see attachment*

1. Article III.Z (p. 37) Life Insurance:

City to provide policy, estimated cost of \$180 per person per year.

2. Article III.V (p. 36) Management Compensation Package:

No additional cost in year one, contribution remains \$225. Years two and three City shall contribute the greater of \$225 per month per person or 75% of the dependent rate charged to employees with Kaiser coverage.

3. Article III.A Wages / Article III. B Pay for Performance (p. 11):

- a. Base Increase: 3% on October 1 of each year of the contract.
- b. PFP: Annual performance incentive of up to 3%. Performance incentive is limited by an aggregate cap of 1.5% of MEA payroll, which may be overridden by individual department funds. Performance Incentive does not compound from year to year and will vary between 0, 1, 2, and 3% depending on employee performance rating.

4. Article III.F (p. 23) Salary Step Plan:

Formalized past practice of granting annual salary step increases. Also extended this practice to non-permanent employees after 6 months continuous service.

5. Article III. P (p. 31) Severance Pay:

Upon involuntary separation of exempt employee, employee may receive up to 30 days pay if 30 days notice was not given. Also, exempt employees who have more than 10 years service will receive one months pay upon involuntary separation.

7. Article IV. D (p. 38) P.O.S.T. Premium:

Premium of 4% or 6% depending on POST certificate held, applies to less than 10 employees.

8. Article IV.E (p. 38) Professional Reimbursement: Reimbursement for required licenses and certificates.

Attachment A
Municipal Executive's Association
Estimated Costs 1998-99 through 2000-01
Controller's Office

<u>Annual Incremental Costs/(Savings)</u>	<u>FY 1998-99</u>	<u>FY 1999-00</u>	<u>FY 2000-01</u>
Wage Increases			
3.0% on 10/1/98	\$1,360,282		
3.0% on 10/1/99		\$1,401,090	
3.0% on 10/1/00			\$1,443,123
Pay for Performance Program	906,855	27,206	28,022
Internal Adjustments	325,000		
Airport Internal Adjustments	92,692		
IS Study Adjustments	245,700		
Wage-Related Fringe Increases	448,957	218,815	225,379
Management Training Program	66,667		
Life Insurance Policies	142,000		
Total Estimated Incremental Costs	<u>3,588,153</u>	<u>1,647,111</u>	<u>1,696,524</u>
Annual Amount Above 1997-98 Level	3,588,153	5,235,264	6,931,788
Cumulative Total Above 1997-98 Provisions			\$15,755,205
Incremental Cost % of Salary Base	5.94%	2.65%	2.65%

Item 12 – File 98-846

1. The proposed ordinance would amend Section 16.157 of the Administrative Code to approve the City's FY 1998-99 Health Service System plans and rates of contribution, as adopted by the Health Service Board, to be paid by the members of the System. The members of the System are employees, retirees, and surviving spouses of former employees and retirees of the City and County of San Francisco, the San Francisco Unified School District, and the Community College District.

2. The Board of Supervisors previously adopted a resolution (File 98-510) setting the City's contribution to the Health Service Fund for FY 1998-99 at \$174.76 per month for each member. The City's contribution was established in accordance with Charter Sections A8.423 and A8.428, which set the average contribution rate based on a survey of the 10 most populous counties in California (excluding San Francisco). The City's contribution of \$174.76 per month (\$2,097.12 annually) represents an increase of \$4.17 per month, or approximately 2.4 percent from the FY 1997-98 rate of \$170.59 per month (\$2,047.08 annually).

3. Once the City's contribution is established, member contributions are calculated by the Health Service System actuary, Rael and Letson, Consulting Actuaries, in order to ensure that contributions from all sources will be adequate to support anticipated claims for the upcoming fiscal year. The proposed ordinance would establish member contribution rates for FY 1998-99 pursuant to Charter Sections A8.421 and A8.422. Charter Sections A8.421 and A8.422 require approval by three-fourths of the members of the Board of Supervisors after the Board has secured an actuarial report of the costs and effects of any proposed change in the benefits of the Health Service System or rates of contribution. Contribution rates vary according to: (1) whether or not a member is an active employee, retired employee, or surviving spouse; (2) whether or not that individual has Medicare coverage; and (3) which of the City's four health plans that individual elects to join. The actuarial report and details of the member contribution rates are contained in the Clerk's file.

4. The following plans will be offered in FY 1998-99:

- City Health Plan*
- Kaiser Foundation Health Plan
- Health Net
- PacifiCare

* Administered by the City's Health Service System.

5. According to Ms. Ann Sommercamp, Deputy Director of the Health Service System, the total revenue from employer and member contributions for the health plans in FY 1998-99 is estimated to be \$172.2 million. A summary of the revenue sources is as follows:

	<u>Amount</u> <u>(Millions)</u>	<u>Percent</u> <u>of Total</u> <u>Contributions</u>
City and County Employer Contribution		
- Active Employees	\$94.5	54.9%
- Retired Employees and Surviving Spouses	23.7	13.8
School District/Community College District		
Employer Contribution		
- Active Employees	20.3	11.8
- Retired Employees and Surviving Spouses	<u>9.5</u>	<u>5.5</u>
Total Employer Contributions	\$148.0	86.0
Employee Contributions	<u>24.2</u>	<u>14.0</u>
TOTAL CONTRIBUTIONS	\$172.2	100.0%

6. According to Ms. Sommercamp, of the total estimated employer contributions of \$148 million, approximately \$118 million or 80 percent, would be contributed from the City's General Fund. The remaining \$30 million of employer contributions would be paid from the City's Special Funds (e.g., Airport, Port, Water Department and Hetch Hetchy) and from Unified School District and Community College District revenue sources.

7. As previously noted, the increase in the employer's (City's) contribution of \$4.17 per month was established based on a survey of average contribution rates for the 10 most populous counties in California, in accordance with Charter Sections A8.423 and A8.428. As shown on the following page, the cost changes to members for their portion of health premiums for FY 1998-99 range from a reduction of \$3.89 per month (\$46.68 annually) to an increase of \$144.42 per month (\$1,733.04 annually), depending on the health plan selected.

A comparison of the FY 1997-98 monthly rates for members of the Health Service System (including active and retired City employees) with the proposed FY 1998-99 rates adopted by the Health Service Board and the monthly difference in costs are as follows:

	1997-98 Monthly <u>Rates</u>	1998-99 Monthly <u>Rates</u>	Monthly Increase/ (Decrease)
<u>City Health Plan</u>			
Single Employee	\$21.12	\$43.43	\$22.31
Employee plus one dependant	170.09	238.12	68.03
Employee plus two dependants	279.50	423.92	144.42
<u>Kaiser Foundation Health Plan</u>			
Single Employee	0.00	2.00	2.00
Employee plus one dependant	157.18	164.38	7.20
Employee plus two dependants	260.92	299.16	38.24
<u>Health Net</u>			
Single Employee	0.00	2.00	2.00
Employee plus one dependant	161.10	165.72	4.62
Employee plus two dependants	268.55	302.80	34.25
<u>PacifiCare</u>			
Single Employee	0.00	2.00	2.00
Employee plus one dependant	156.70	152.81	(3.89)
Employee plus two dependants	260.33	279.18	18.85

A description of changes to health benefits under these plans is provided in the Attachment.

8. In FY 1997-98, the Health Service Board subsidized employee rates for the City Health Plan by \$5.65 million, from the Health Service Trust Fund, in order to make the City's Health Plan more competitive with the other Health Maintenance Organizations (HMOs) offered to employees (Kaiser, Health Net, PacifiCare). However, according to Ms. Sommercamp, the benefits provided under the City Health Plan were not sustainable at a competitive price. As a result, there will be an increase in the employee contributions under the City Health Plan for FY 1998-99, as reflected in the table above. Ms. Sommercamp advises that, for FY 1998-99, the Health Service Board has elected to subsidize employee rates for the City Health Plan with approximately \$2.0 million in interest earnings from the Health Service Trust Fund, which consists of accumulated contingency funds generated from excess employee contributions, plus interest.

9. The total estimated cost of \$172.2 million for the various health plans for FY 1998-99, including the employer and employee contributions, represents an

increase of approximately 9.3 percent or \$14.6 million from the projected FY 1997-98 costs of \$157.6 million.

10. The Health Service Board has approved the continuance of Delta Dental of California, the PMI DeltaCare Dental Plan and the Pacific Union Dental Plan. According to Ms. Sommercamp, as of March, 1998, a total of 22,502 employees were enrolled in the existing City-paid dental plans. Total premiums (based on current membership) will be an estimated \$23.99 million for FY 1998-99, an increase of approximately \$2.27 million (10.4 percent) over projected premiums for FY 1997-98 of approximately \$21.72 million. A summary of these costs is as follows:

	Employee Membership	Projected 1997-98 Premiums*	Projected 1998-99 Premiums**
Delta Dental of California	20,083	\$20,749,153	\$22,930,000
PMI DeltaCare Dental Plan	1,714	723,429	773,244
Pacific Union Dental Plan	<u>705</u>	<u>248,350</u>	<u>282,732</u>
Total	22,502	\$21,720,932	\$23,985,976

* Based on March 1, 1998 enrollments at existing monthly rates.

** Based on March 1, 1998 enrollments at FY 1998-99 rates.

11. A comparison of the FY 1997-98 and FY 1998-99 premium monthly rate schedules for employer contributions of the three dental plans is as follows:

	1997-98 Monthly Rates	1998-99 Monthly Rates	Monthly Increase/ (Decrease)
<u>Delta Dental</u>			
Single Employee	\$43.85	\$46.68	\$2.83
Employee plus one dependant	74.19	79.36	5.17
Employee plus two dependants	113.20	121.37	8.17
<u>PMI DeltaCare Dental Plan</u>			
Single Employee	22.01	22.17	0.16
Employee plus one dependant	35.98	36.58	0.60
Employee plus two dependants	52.97	54.09	1.12
<u>Pacific Union Dental Plan</u>			
Single Employee	17.50	18.55	1.05
Employee plus one dependant	27.50	29.15	1.65
Employee plus two dependants	43.50	46.11	2.61

12. A choice of three dental plans that are fully paid for by retirees and active employees who are ineligible for employer paid dental coverage will also continue to be offered with no cost to the City. The three dental plans have reduced benefits in order to reduce the premium cost for plan participants. Active employees who are not eligible for employer paid dental coverage include provisional employees of the Unified School District and the Community College District.

13. The 1998-99 monthly premium rates of the dental plans with employee contributions are as follows:

	1997-98 Monthly <u>Rates</u>	1998-99 Monthly <u>Rates</u>	Monthly Increase/ (Decrease)
<u>Delta Dental</u>			
Single Employee	\$30.38	\$30.38	\$0
Employee plus one dependant	60.47	60.47	0
Employee plus two dependants	85.08	85.08	0
<u>PMI DeltaCare Dental Plan</u>			
Single Employee	13.28	13.69	0.41
Employee plus one dependant	21.91	22.59	0.68
Employee plus two dependants	32.41	33.41	1.00
<u>Pacific Union Dental Plan</u>			
Single Employee	10.25	10.86	0.61
Employee plus one dependant	18.25	19.35	1.10
Employee plus two dependants	26.00	27.56	1.56

Recommendation

Approve the proposed ordinance.

Item 13 - File 98-880

- Department:** Public Utilities Commission (PUC)
Water Department
- Item:** Ordinance approving the revised schedule of rates to be charged by the Public Utilities Commission for wholesale water service to its Suburban Resale Customers
- Description:** The PUC establishes two separate water rate schedules. One schedule is for the Water Department's retail customers in San Francisco and its retail customers outside the City. The other schedule is for the Water Department's "Suburban Resale Customers". Suburban Resale Customers are, collectively, 29 water agencies, primarily within the Counties of San Mateo and Santa Clara, that purchase water at wholesale rates from the San Francisco Water Department for resale to their customers.
- Water rate schedules were last amended by the PUC effective July 1, 1996 when retail rates to the water users in San Francisco and outside the City were increased by 7.6 percent. Suburban Resale water rate schedules were last amended effective July 1, 1994 when such rates were increased by 18.9 percent.
- The Board of Supervisors can only approve or disapprove water rate schedules submitted by the Public Utilities Commission. The proposed water rate schedules cannot be amended by the Board. Under Charter Section 2.109, the Board of Supervisors may approve, or reject, any rate, fee or similar charge to be imposed by any department, board or commission.
- The PUC is proposing no increase to its current water rates to its San Francisco and other retail customers. However, under the terms of a 1984 settlement agreement between the Suburban Resale Customers and the City, and a related master water sales contract, which was approved by the Board of Supervisors and which resolved litigation which had been pending since 1974, the PUC must now decrease rates charged to its Suburban Resale Customers by 13 percent.

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The settlement agreement established a method by which suburban resale rates are calculated each year. Under that agreement, cost accounting and rate setting are divided and based on the costs of providing water services to retail customers, as distinct from the Suburban Resale customers, who purchase water from the San Francisco Water Department at wholesale rates. The City sets the wholesale water rates to recover all costs associated with providing water to the Suburban Resale Customers, plus a rate of return on all debt funded assets and future revenue funded assets.

Suburban Resale water service revenues, which are realized in excess of the computations made in accordance with the settlement agreement requirements, are credited to a "balancing account" which must be factored in to the rate calculation for the following year. If the projected balancing account value and projected revenue from Suburban Resale Customers exceeds projected costs and a return on assets for the Suburban Resale Customers by more than two percent, adjustments to the Suburban Resale Customer rate schedules are mandated by the 1984 settlement agreement.

The projected June 30, 1998 balancing account value amounts to approximately \$11.5 million. The PUC has therefore approved a required decrease in Suburban Resale Customer rates of 13 percent. This rate reduction of 13 percent would decrease projected 1998-99 Suburban Resale water service revenues by \$7.83 million from \$60.37 million to \$52.54 million. However, this revenue reduction only impacts the Water Department's balancing account and does not impact the Water Department's Operating Fund Balance.

The table on the following page displays the Water Department's projected Revenues and Expenditures for FY 1998-99.

**1998-99 WATER DEPARTMENT PROJECTED
REVENUES AND EXPENDITURES**

Beginning Operating Fund Balance \$ 34,320,000

Projected Revenues

Retail Water Sales	\$ 64,450,000
Suburban Resale Water Sales	52,540,000
Other Revenues	<u>15,866,000</u>

Total Revenues 132,856,000

Total Sources 167,086,000

Projected Expenditures

Operating Expenditures	109,189,000
Facilities Maintenance	14,000,000
Debt Service	<u>22,707,000</u>

Total Expenditures 145,896,000

Ending Operating Fund Balance \$ 21,190,000

Comment: As previously noted, the PUC has proposed no water rate increases for San Francisco water users and the other retail customers of the Water Department. Therefore, based on the Water Department's projected revenues and expenditures, as can be seen from the table above, the Water Department's current unappropriated surplus will decrease by over \$13 million (\$34,320,000 Beginning Balance less \$21,190,000 Ending Balance).

Recommendation: Approve the proposed ordinance.

Items 14 and 15 – Files 98-882 and 98-883

Department: Purchasing Department

Item: File 98-882: Resolution designating the *San Francisco Independent* to be the official newspaper of the City for specified categories of official advertising (Type 2), commencing July 1, 1998.

File 98-883: Resolution designating an as yet to be determined organization to be the official newspaper of the City for specified categories of advertising (Type 1), commencing July 1, 1998.

Description: The City's official advertising is divided into two categories:

Type 1 – Advertisements for Two of More Consecutive Days
Official advertising which must be published on two or more consecutive days, and all official advertising which is required to be published in accordance with Section 2.103 of the Charter for special meetings of the Board of Supervisors and its standing or special committees. The Official newspaper must publish at least 5 days a week.

Type 2 – Advertisements for Single or Non-consecutive Days
Official advertising, which must be published one time, other than one-time advertising related to special meetings for the Board of Supervisors and its standing and/or special committees, or more than one time but not more than three times per week for a specified number of weeks. The Official Newspaper must publish at least 3 days a week.

The City currently contracts with the *San Francisco Examiner* for Type 1 official advertising and with the *San Francisco Independent* for Type 2 official advertising. The contracts are due to expire June 30, 1998.

Proposition J, which was approved by the San Francisco electorate in November of 1994, in part, changed the criteria by which the City selects a newspaper to publish the City's official advertising. The Purchasing Department advises that, under Proposition J, pursuant to Section 2.81 of the Administrative Code, several criteria are considered and

used to evaluate bids, on the basis of a point system. Bidders are required to submit typeset samples and other documentation for evaluation purposes. The criteria used for evaluation of bids under Section 2.81 includes (1) the cost of advertising in each newspaper (the newspaper which bids the lowest price for advertising receives additional points), (2) the level of circulation of each newspaper (the newspaper with the largest circulation receives additional points), (3) the cost of the newspaper (any newspaper with a majority of circulation that is free of charge to the general public receives additional points), and (4) the ownership of the newspaper (newspapers which are owned by local, minority or women-owned firms receive additional points).

File 98-882: For FY 1998-99, the Purchasing Department estimates that total costs for Type 2 official advertising in the *San Francisco Independent* will total \$837,100, or \$96,700 more than the estimated \$740,400 expended for Type 2 advertising in FY 1997-98. According to the Purchasing Department, in response to its Invitation for Bids, the Department received one bid for Type 2 official advertising from the *San Francisco Independent*. The Purchasing Department is recommending that the *San Francisco Independent* be awarded the City's Type 2 official advertising for FY 1998-99. The Purchasing Department advises that the cost per line of typeset in FY 1998-99 would be \$4.56, or \$0.41 more than the \$4.15 charge in FY 1997-98, a 9.9 percent increase. Attachment 1, provided by the Purchasing Department contains the points evaluating data for the *San Francisco Independent*.

File 98-883: For FY 1998-99, the Purchasing Department estimates that the total costs for official advertising in the *San Francisco Examiner* under a contract extension will be \$29,800 or \$2,775 more than the estimated \$27,025 expended on Type 1 advertising in FY 1997-98. According to the Purchasing Department, in response to its Invitation for Bids, the Department did not receive any bids for Type 1 official advertising. Because no bids were received, the Purchasing Department is not making a recommendation regarding the award of the City's Type 1 official advertising for FY 1998-99. Instead, the Purchasing Department is presenting information to the Board of Supervisors about the *San Francisco Examiner* and *San Francisco Chronicle*.

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newspapers. According to the Purchasing Department, the *San Francisco Examiner* and *San Francisco Chronicle* have historically been the only responsive bidders for Type 1 advertising, and appear to be the only newspapers that meet the Administrative Code's requirements for Type 1 advertising.

Because no bids were received for Type 1 advertising, the Purchasing Department has presented five options to the City for FY 1998-99 for the Board's consideration as follows: (1) the Board could choose not to have an Official Newspaper for Type 1 advertising, (2) the Board could direct Purchasing to rebid Type 1 using the same bid requirements, (3) the Board could direct Purchasing to rebid and relax some of the requirements of the Administrative Code, (4) designate the *Examiner* or *Chronicle* as the Official Newspaper for Type 1, or (5) designate the *Examiner* as the Official Newspaper for Type 1 advertising by extending the current contract with the *Examiner* (see Attachment 2, pages 2-3 of the letter from the Purchasing Department, date May 27, 1998 for detailed descriptions of the options).

Regarding the five options, the Director of Purchasing stated that with respect to Option No. 5 which, if adopted by the Board of Supervisors, would designate the *Examiner* as the Official Newspaper for Type 1 advertising, "It appears this option is the most practical, timely, and economical method to meet the City's needs for Type 1 consecutive day advertising."

The Purchasing Department advises that the cost per line of typeset in FY 1998-99 would be \$2.04, or \$0.19 more than the \$1.85 charged in FY 1997-98, representing a 10.3 percent cost increase. Attachment 1, provided by the Purchasing Department contains bid data and point calculation information for the *San Francisco Examiner*, using last year's bid data, and assuming the *Examiner's* contract is extended.

Comments:

1. The Purchasing Department states that the City Attorney has advised that the Board of Supervisors need not accept the Purchasing Department's recommendations to award contracts to newspapers for Official Advertising and may

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designate any newspaper which is qualified under the Charter and the Administrative Code.

2. On Attachment 1, in order to estimate how much the City would spend on FY 1998-99 official advertising, the Purchasing Department advises that it estimated the average of the total lines of official advertising placed by the City during a four-year period, FY 1993-94 through FY 1996-97, and multiplied by the newspaper's line price.

3. According to the Purchasing Department, pursuant to Section 2.81-2(a) of the Administrative Code, 90 percent of the cost of official advertising will be paid to the Official Newspapers and 10 percent will be withheld and placed into a revenue fund to pay for outreach advertising which are weekly advertisements placed in community based periodicals, targeting African American, Chinese, Latino, and Lesbian, Gay, and Bisexual communities, designated by the Board of Supervisors. In addition, any portion of the 10 percent set aside that is not expended in previous years will be carried forward for future outreach advertising.

Recommendations:

1. If the Board of Supervisors selects an official newspaper of the City for Type 1 official advertising, for FY 1998-99, amend the proposed resolution (File 98-883) to reflect that designation.

2. Approval of the proposed resolutions, as amended, is a policy matter for the Board of Supervisors.

Bid Data and Point CalculationType 1. Consecutive Day (Last year's bid data)

No bids were received for Type 1 advertising. The calculations for the Examiner were made using last year's bid data, and assuming the Examiner's contract is extended.

	<u>Examiner</u>	
	<u>Data</u>	<u>Pts</u>
Cost of Sample	None	15
Home Circ., SF	167,200	10
Price, if zero	25c	0
Locally owned	yes	2
Minority owned	no	0
Woman owned	no	<u>0</u>
Total		27
Ranking		1
Cost per line		\$2.04
FY Estimated cost		\$29,800.00

Type 2. Nonconsecutive Day (Current year's bid data)

	<u>Avail. Points</u>	<u>Independent</u>	
		<u>Data</u>	<u>Pts</u>
Cost of Sample	15	\$720.48	15
Home Circ., SF	10	351,910	10
Price, if zero	5	zero	5
Locally owned	2	yes	2
Minority owned	2	yes	2
Woman owned	<u>2</u>	no	<u>2</u>
Total	36		36
Ranking			1
Cost per line			\$4.56
FY Estimated cost			\$837,100

Notes

The bidder did not qualify for a bid preference bid preference under the MBE/WBE/LBE Ordinance.

98-OF-AD."B"

433wp



May 27, 1998

BY _____

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RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO

To: John L. Taylor
Clerk of the Board

Through: Steve Nelson *[Signature]*
Director of Administrative Services

From: Edwin M. Lee *[Signature]*
Director of Purchasing

Subject: Resolutions Designating Official Newspapers for FY 98-99

Summary

In accordance with §2.81 of the Administrative Code, I am reporting to the Board the results of Purchasing's request for bids for Official Advertising. Purchasing has prepared the enclosed resolutions for the two categories of advertising.

This memo describes the process of evaluating bids for Official Advertising, the major issues encountered, and the Board's options. A corresponding report on the results for the bid for Outreach Advertising will be submitted separately.

As required by the Admin. Code, Purchasing is recommending the San Francisco Independent as the Official Newspaper for Type 2, nonconsecutive day advertising. Because no bids were received for Type 1, consecutive day advertising, Purchasing is not making a recommendation for Type 1. Instead, Purchasing is presenting information about the Chronicle and Examiner, which have historically been the only responsive bidders for Type 1, and appear to be the only newspapers which meet the Admin. Code's requirements for Type 1 advertising. Although the newspapers did not bid, the San Francisco Newspaper Agency (SFNA), agent for the Examiner and Chronicle, has offered the City to extend the existing contract with the Examiner. In this situation, the Board may designate either newspaper as the Official Newspaper for Type 1, or may consider other options presented in the "Bid Summary, Type 1 Consecutive Day," on the next page. It appears that option 5 offers the most practical alternative.

Pursuant to the Admin. Code, Purchasing calculated the points for the Independent using its current bid. For information purposes, we calculated points for the Examiner using last years contract extension data. A summary of the calculations follows:

	Type 1: Option to Extend <u>Examiner's contract</u>	Type 2: <u>current bid data</u> <u>Independent</u>
Total Points	Not applicable	36
Ranking	Not applicable	1
Cost per line	\$2.04	\$4.56
Est. Cost	\$29,800	\$837,100

The total estimated cost for Type 1 for the Examiner under a contract extension is \$29,800. The estimated cost for Type 2 for the Independent is \$837,100. Ten per cent of the total of Type 1 and Type 2 would be available for Outreach Advertising.

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Schedule

The current contracts for Official Advertising will expire June 30, 1998 and new Official Newspapers must be designated prior to July 1. To meet this June 30 deadline, please calendar these resolutions to allow time for Committee meetings, Board approval, signature of the Mayor, and notification to City departments. Due to the unusual situation for Type 1 advertising, more than one Committee meeting could be necessary.

Definition of the Two Types of Advertising

The City places two kinds of advertising, which have historically been designated Type 1 and Type 2. A shorthand description of them is: Type 1 is consecutive day advertising; and Type 2 is nonconsecutive day advertising. For Type 1 advertising, the Official Newspaper must publish at least 5 days a week. For Type 2 advertising, the Official Newspaper must publish at least 3 days a week.

The formal definitions are as follows. Type 1 advertising is that which must be published on two or more consecutive days or which must be published in accordance with §2.103 of the Charter. Type 2 advertising is that which must be published one time other than by §2.103 of the Charter, and all other official advertising required more than one time, but not more than three times a week.

Two sample ads, one for each type of advertising, appear in Exhibit A, "Samples of Type 1 and Type 2 Advertising."

Bid Summary

Bidders were required to submit typeset samples and other documentation for the evaluation of points pursuant to Admin. Code §2.81. No bids were received for Type 1 advertising and one bid was received for Type 2 advertising. Purchasing received an offer from the SFNA, agent for the Examiner and Chronicle, to provide Type 1 advertising under a contract extension with the Examiner. The details of the offer are explained below in options 4 and 5. Exhibit B is a detailed presentation of bid data (this year and last) showing how the points were calculated.

Type 1, Consecutive Day

Because no bids were received for Type 1 advertising, Purchasing is unable to make a recommendation pursuant to the guidelines in §2.81. The following options are presented for the Board's consideration. It appears that Option 5 offers the most practical, timely and economical solution.

Options:

1. No Official Newspaper for Type 1. The Board could choose not to have an Official Newspaper for Type 1 advertising. Purchasing does not recommend this option because of the City's need for Type 1 advertising for scheduling special meetings of the Board, Committees, and certain consecutive day advertising such as bond issuances and special elections.
2. Rebid with the same bid requirements. The Board could direct Purchasing to rebid Type 1 using the same bid requirements. However, the SFNA has said that the newspapers chose not to bid on the current bid and would not bid if there were a rebid. Purchasing contacted other potential bidders and found that only the Examiner and the Chronicle meet the Admin. Code's requirements for circulation of 50,000 per week, consecutive day publication, and printed in the City. Therefore, Purchasing does not recommend this option because it is almost certain no responsive bids would be received.

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3. Rebid and relax some of the requirements of the Admin. Code, such as weekly circulation of 50,000 per week, consecutive day publication, or printed in City, so additional newspapers would meet the requirements. Because these requirements are in Admin. Code §§2.80 and 2.81 and were passed by the voters, it would require voter approval to relax these requirements. Purchasing does not recommend this option because of the complexity and time requirements of obtaining voter approval.
4. Designate the Examiner or Chronicle as the Official Newspaper for Type 1 advertising, because they are the only known newspapers that meet the Admin. Code's requirements for circulation of 50,000 per week, consecutive day publication, and printed in the City. Although the newspapers did not bid, the SFNA, agent for the Examiner, offered to extend the current contract at the rate of \$2.04 per line. If the City does not extend the contract, and the Board designated the Chronicle or Examiner as official newspaper for Type 1 Advertising, the newspaper would not be subject to any of the City's terms and conditions required in the bidding process.
5. Designate the Examiner as the Official Newspaper for Type 1 advertising by extending the current contract. Under this option, the SFNA offers to sign a one page contract extension, which would extend the contract for one year, and incorporate the existing terms of the agreement.

It appears this option is the most practical, timely, and economical method to meet the City's needs for Type 1, consecutive day advertising.

Following are some of the advantages of the extension:

- If the contract is extended with the Examiner, the City will have a contract with the City's terms and conditions.
- The Examiner has historically been designated the Official Newspaper for Type 1 advertising.

Type 2, Nonconsecutive Day

One bid was received for Type 2 advertising, from the Independent. Pursuant to the Admin. Code, Purchasing is recommending the Independent as the Official Newspaper for Type 2, nonconsecutive day advertising.

Equal Benefits Ordinance

The San Francisco Independent and the San Francisco Newspaper Agency (SFNA) agent for the Examiner and Chronicle comply with the Equal Benefits Ordinance.

Bid Evaluation before and after the FY 94-95 Contract

Up to and including FY 94-95, bidders which were responsive were evaluated on their bid price alone. Purchasing recommended the lowest reliable and responsible bidder, and the Board either agreed with the recommendation, requested the transaction to be rebid, or took other action.

In November 1994, Prop. J was passed by the voters, and for the FY 95-96 contract and beyond, bid price is only one of several factors which are evaluated and weighted to determine the recommended paper. Also, Purchasing is required to recommend the paper with the highest point total. The City Attorney has advised that the Board need not accept Purchasing's recommendation and may designate any newspaper(s) meeting the Charter's requirements.

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How the Estimated Cost of the Contract was Calculated

To estimate how much the City would spend on advertising, Purchasing estimated the number of lines of advertising and multiplied by the paper's line price.

To estimate the lines of advertising for FY 98-99, Purchasing used the average of the total lines of ads placed from FY 93-94 through FY 96-97. For each paper, the number of lines was adjusted to compensate for the papers' different methods of typesetting. (The same ad would require a different number of lines in the Independent than it would in the Examiner.)

The Estimated Cost includes Official Advertising and Outreach Advertising

Pursuant to §2.81-2(a) of the Admin. Code, 90% of the cost of Official Advertising will be paid to the Official Newspapers and 10% will be withheld and placed into a revenue fund to pay for Outreach Advertising. In addition, any money which was withheld and not spent in previous years will be carried forward and available for future Outreach Advertising.

Other Issues

1. On What Days Departments Should Advertise

Section 2.81-1 reads in part:

"If the circulation of the official newspaper(s) varies by day or the cost of advertising varies by day, the Purchaser shall direct all City departments to advertise in those editions of the newspaper(s) with the greatest circulation and the lowest advertising cost."

For Type 1, FY96-97 statistics showed a conflict between highest circulation and lowest cost. The Examiner's (and Chronicle's) circulation on Sunday are higher but the price is also higher. As a result, Purchasing plans to advise departments to advertise on Monday through Saturday.

For Type 2, the Independent's bid price is the same for its Tuesday, Thursday and Saturday editions, but the circulation varies. The Independent's audit report of its circulation shows no San Francisco home circulation on Thursday. As a result, Purchasing plans to direct departments to advertise on Tuesday (S.F. home circ. 199,450) and Saturday (152,460), and not on Thursday (0).

These are similar to the same recommendations made last year about low circulation on a specific day. If the Board would prefer Purchasing to give different direction to City departments, please advise.

2. Current and Historical Data on Bid Prices and Spending

Purchasing has gathered information on bid prices and spending for Official Advertising from FY 93-94 to the present. The information is presented in Exhibit C, "Type 2 Bid Prices, Sample Ad Prices, and Spending, FY 93-94 to FY 98-99." Following is a summary from the exhibit for the current FY and the bid prices (and offers) received for FY 98-99.

	<u>FY 97-98</u>	<u>FY 98-99</u>
Type 1 Cost per line: Examiner	\$1.85 with contract extension	\$2.04 with contract extension
Type 2 Cost per line: Independent	\$4.15	\$4.56

3. Approval of Official Newspapers' Workforce Data and Affirmative Action Plans (Chapter 12B)

The Human Rights Commission reviewed and approved the Chapter 12B-related materials submitted by the Independent.

Conclusion

Purchasing looks forward to reviewing this matter with the Committee. If we can provide any additional information before the Committee meeting, please advise.

Enclosures are listed the on next page.

Enclosures:

Resolution designating a "to be determined" newspaper as the Official Newspaper for Type 1, consecutive day advertising.

Resolution designating the S.F. Independent as the Official Newspaper for Type 2, nonconsecutive day advertising.

- A: Samples of Type 1 and Type 2 Advertising
- B: Bid Data and Point Calculation
- C: Type 2 Bid Prices, Sample Ad Prices, and Spending, FY 93-94 through FY 98-99

Items 16, 17 and 18 - Files 98-852, 98-853 and 98-936

1. The proposed legislation would approve the Interim Annual Appropriation Ordinance (File 98-852), the Interim Annual Salary Ordinance (File 98-853) and a resolution authorizing an interim budget for the Redevelopment Agency for Fiscal Year 1998-99 (File 98-936).

2. The annual budget process for the City and County requires that the Board of Supervisors approve an Interim Annual Appropriation Ordinance and an Interim Annual Salary Ordinance for Fiscal Year 1998-99 on or before June 30, 1998. The purpose of these interim ordinances is to provide position and expenditure authorization for the various departments of the City and County during the time that the Finance Committee of the Board of Supervisors is reviewing the Mayor's recommended budget for Fiscal Year 1998-99. The budget is scheduled to be adopted by the Board of Supervisors on July 20, 1998.

3. The Interim Annual Appropriation Ordinance and Interim Annual Salary Ordinance are based on the Fiscal Year 1998-99 proposed budget recommendations of the Mayor. Hence, these ordinances include authorization and funding for all programs and program revisions which are included in the Mayor's proposed 1998-99 budget. Each program and program revision will be reviewed in detail during the budget hearings and sessions which have been scheduled by the Finance Committee from June 16 through June 25, 1998.

4. The proposed resolution (Item 18 - File 98-936), approving an interim budget for the Redevelopment Agency, provides authority for the Redevelopment Agency to function under the State Community Redevelopment Law for the period from July 1, 1998 until the Redevelopment Agency's budget for FY 1998-99 is finally approved by the Board of Supervisors, as required by Section 33606 of the State law. Approval of the proposed resolution would not constitute final approval of new positions, program expenditures, or Tax Increment Bonds for FY 1998-99.

5. As a general policy, in previous years, the Board of Supervisors has not approved new positions and programs during the interim budget period without detailed review. This general policy has been implemented by instructing the Controller not to certify the availability of funds for new positions, new programs or program expansions during the interim budget period between July 1 and July 31. If an exception is approved by the Board of Supervisors, new positions can be filled effective July 1. Otherwise, new positions will generally not be filled until August 1 at the earliest.

6. The Administrative Provisions of the Interim Annual Appropriation Ordinance further state that no funds shall be allotted until August 1 for capital improvements and equipment. However, leased equipment is not subject to this

provision. In certain cases, specific exceptions to these general policies have been approved by the Board of Supervisors. Exceptions have been based on such factors as new positions and programs that produce revenue or prevent major service deficiencies which would result from delays in filling new positions or starting new programs. Approval of some equipment purchases, for example, could result in cost savings.

7. The Controller has prepared revisions to the Administrative Provisions of the Interim Annual Appropriation Ordinance (AAO). Attachment A, provided by the Controller, summarizes the revisions. According to the proposed amendments to the Administrative Provisions of the Interim Annual Appropriation Ordinance, at the request of the Mayor, Section 12.8 of the Administrative Provisions of the Interim Annual Appropriation Ordinance has been added regarding two General Fund Reserves, which have been established in the Mayor's recommended budget for Fiscal Year 1998-99. The first reserve is for Capital Investments in the amount of \$21,484,400. This reserve represents capital improvement projects that are budgeted in various General Fund and General Fund Supported Departments. A detailed listing of the capital improvement projects that would be placed on reserve by the Mayor is presented in Attachment B.

Attachment B also provides a detailed listing of the second reserve established by the Mayor, a Systems Investment reserve in the amount of \$8,656,288. This reserve covers major information technology projects for various General Fund and General Fund Supported Departments. Under the proposed language of Section 12.8 of the Administrative Provisions of the Interim Annual Appropriation Ordinance, such reserves for capital improvements and systems technology projects would be released for expenditure only on the approval of the Mayor's Budget Office. According to Mr. Matthew Hymel, Mayor's Director of Finance, all of the projects included in the Capital Investments reserve have been approved by the Capital Improvements Advisory Committee (CIAC). Similarly, the projects included in the Systems Investments reserve have been approved by the Committee on Information Technology (COIT).

The Budget Analyst notes that the level of General Fund capital spending is significantly greater in the Mayor's recommended budget for Fiscal Year 1998-99 than in any recent Fiscal Year. Specifically, total Capital Improvement/Facilities Maintenance projects in the final Fiscal Year 1997-98 budget for General Fund and General Fund Supported Departments amounted to approximately \$17.0 million. The Mayor's recommended budget for Fiscal Year 1998-99 includes over \$29.6 million for projects in General Fund and General Fund Supported Departments resulting in an increase of approximately \$12.6 million or 74 percent.

Upon completion of the forthcoming budget review, the Finance Committee could place reserves on any of these projects if the Committee believes more information is needed.

In addition to the new Section 12.8 of the Administrative Provisions of the Interim Annual Appropriation Ordinance, Section 15 (d) has been added to combine

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BUDGET ANALYST

the 911 Project construction and the new emergency communication services operations into a new Emergency Communications Department.

8. Attachment C, provided by the Department of Human Resources, discusses various minor revisions to the Interim Annual Salary Ordinance. As explained in Attachment C, Section 1.1B has been revised to conform with the Annual Appropriation Ordinance which allows the Police Department to change the number of positions within classes in a rank, provided that the total number of authorized positions in a rank is not increased. Also, Section 2.3 of the Administrative Provisions of the Interim Annual Salary Ordinance, regarding the explanation of position indicators, has been revised to conform to budget instructions.

9. In past years, the Mayor's recommended Interim Annual Appropriation Ordinance and the Interim Annual Salary Ordinance have, in general, been routinely approved by the Board of Supervisors, with the exception of new positions and new programs, capital improvements and equipment, as noted above.

10. At the direction of the Finance Committee and the full Board of Supervisors, the Budget Analyst has historically been instructed to analyze the Mayor's recommended budget in detail and make recommendations for reducing the Mayor's recommended budget only if such recommendations do not result in service level reductions. Budget reductions recommended by the Budget Analyst and approved by the Board, have often been used by the Board of Supervisors as a source of funds to: (a) restore items deleted in the Mayor's recommended budget; (b) include new items in the budget based on the priorities of the Board of Supervisors; and/or (c) increase the General Fund reserve. In accordance with the Charter, the reallocation of any savings realized from budget reductions made by the Board of Supervisors can now be made by the Board of Supervisors without appropriation approval by the Mayor, in accordance with the priorities of the Board of Supervisors. Such amendments would be subject to Mayoral veto.

During the annual hearings to be conducted by the Finance Committee beginning next week on the Mayor's Recommended 1998-99 budget, in addition to the recommendations of the Budget Analyst, the Budget Analyst will also be reporting on the service level impacts of the expenditure increases and decreases included in the Mayor's recommended 1998-99 budget.

11. In accordance with the 1998-99 Budget Calendar, the Interim Annual Appropriation Ordinance and the Interim Annual Salary Ordinance are scheduled to be passed on first reading at the June 15, 1998 meeting of the Board of Supervisors. Final passage of these ordinances is scheduled for June 22, 1998.

12. The Budget Analyst has previously been advised by Mr. Burke Delventhal of the City Attorney's Office that the Board of Supervisors is required to approve the Mayor's recommended Interim Annual Appropriation Ordinance and

Interim Annual Salary Ordinance (and therefore the Interim Budget), subject to any additional reductions which the Board may choose to make, by no later than June 30th of each year. Mr. Delventhal has further advised the Budget Analyst that if these ordinances are not approved by the Board of Supervisors by June 30, the Controller will no longer have authority to issue payroll warrants to City and County employees or to issue other warrants to pay for any other City and County services.

Mr. Harrington has previously advised the Budget Analyst that he concurs with the opinion of Mr. Delventhal. The Controller would cease to issue any further City and County warrants unless the Board of Supervisors approves an Interim Annual Appropriation Ordinance and Interim Annual Salary Ordinance (the Interim Budget) by June 30.

13. Various exceptions have been recommended by the Mayor to the Interim Annual Appropriation Ordinance and the Interim Annual Salary Ordinance in order to authorize a total of 46.5 new positions during the interim budget period between July 1 and July 31, including 16.5 new positions in the Department of Human Services, 29 new positions for the Municipal Railway and one new position for the Administrative Services Department. These exceptions requested by the Mayor are identified in Attachment D.

Recommendations Pertaining to Interim Budget Exceptions

1. As noted above, the Board of Supervisors has not approved new positions and programs during the interim budget period without detailed review unless exceptions are made. Based on the Departmental justifications contained in Attachment D, the Budget Analyst is recommending approval of the following interim budget exceptions as of July 1, 1998:

Department of Human Services

<u>Program</u>	<u>Class</u>	<u>Title</u>	<u>No. Positions</u>	<u>1998-99 Budget Amount</u>	<u>Maximum Annual Salaries</u>
CalWorks	2917	Program Support Analyst	2	\$ 111,772	\$ 132,536
CalWorks	9704	Employment Specialist	1	52,254	52,931
		III			
CalWorks	1426	Sr. Clerk Typist	3	98,155	115,962
Indigent Adults	9705	Employment Specialist	1	58,360	58,360
		IV			
Indigent Adults	1820	Jr. Administrative Analyst	1	35,661	42,152
Indigent Adults	1824	Principal Administrative Analyst	1	60,395	73,419
Family and Children Service	1363	Special Assistant IV	1	31,607	38,289

Memo to Finance Committee
June 10, 1998 Finance Committee Meeting

<u>Program</u>	<u>Class</u>	<u>Title</u>	<u>No.</u> <u>Positions</u>	<u>1998-99</u> <u>Budget</u> <u>Amount</u>	<u>Maximum</u> <u>Annual</u> <u>Salaries</u>
Family and Children Service	1369	Special Assistant X	1	48,729	59,221
Family and Children Service	2904	Case Aide	1	35,224	40,951
Family and Children Service	2948	Social Services Section Manager	1	76,379	74,516
Family and Children Service	2940	Child Welfare Worker	1	60,407	58,934
Family and Children Service	2905	Sr. Eligibility Worker	0.5	27,787	24,182
Homeless Administration	1822	Administrative Analyst	1	46,656	55,332
	1374	Special Assistant XV	<u>1</u>	<u>76,551</u>	<u>84,407</u>
Totals			16.5	\$ 819,937	\$ 911,192

Municipal Railway

<u>Program</u>	<u>Class</u>	<u>Title</u>	<u>No.</u> <u>Positions</u>	<u>1998-99 Budget</u> <u>Amount</u>	<u>Maximum</u> <u>Annual</u> <u>Salaries</u>
Muni-Operations	9139	Transit Supervisor	28	\$ 1,382,654	\$ 1,614,337
Muni-Operations	9140	Transit Manager I	<u>1</u>	<u>54,914</u>	<u>58,908</u>
Totals			29	\$ 1,437,568	\$ 1,673,245

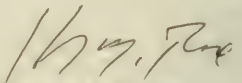
Administrative Services

<u>Program</u>	<u>Class</u>	<u>Title</u>	<u>No.</u> <u>Positions</u>	<u>1998-99 Budget</u> <u>Amount</u>	<u>Maximum</u> <u>Annual</u> <u>Salaries</u>
Building Operations	9139	Special Assistant XVII	1	\$ 80,388	\$ 97,718

As shown above, the Budget Analyst is recommending approval of all of the 46.5 new positions recommended by the Mayor as interim budget exceptions so that the 46.5 new positions can be filled as of July 1, 1998.

Overall Recommendation

Amend the proposed Interim Annual Appropriation Ordinance, the proposed Interim Annual Salary Ordinance and the proposed resolution approving the interim budget for the Redevelopment Agency, in accordance with the exceptions noted above, and approve the legislation as amended.


Harvey M. Rose

cc: Supervisor Teng	Supervisor Yaki
President Kaufman	Supervisor Yee
Supervisor Newsom	Clerk of the Board
Supervisor Ammiano	Controller
Supervisor Bierman	Gail Feldman
Supervisor Brown	Matthew Hymel
Supervisor Katz	Stephen Kawa
Supervisor Leno	Ted Lakey
Supervisor Medina	



Edward Harrington
Controller

John W. Madde
Chief Assistant Controller

May 29, 1998

Board of Supervisors
401 Van Ness Avenue, Room 308
San Francisco, CA 94102

Re: Annual Appropriation Ordinance 1998-1999

Ladies and Gentlemen:

Attached are the Administrative Provisions of the Annual Appropriation Ordinance for the fiscal year 1998-1999. For 1998-99 there are two additional provisions included while two former sections have been deleted. Other sections have been rearranged and sub section headings added throughout without changing text from the provisions included in the 1997-98 Ordinance.

The two sections added provide:

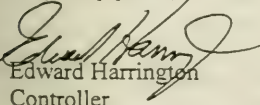
- Certain reserves are set up in the budget for systems projects and capital improvements. The reserves may be released by the Mayor's Budget Office. (Section 12.8)
- A new department, Emergency Communications, has been added. This combines the 911 Project construction and the new emergency communication services operations, slated to begin operations in 1999, into a single agency. (Section 15 (d))

Two sections have been deleted as they were either redundant or replicate the charter.

- Former section 11.23 relative to financial advisory services duplicated section 6. Section 6 has been retained in 1998-99.
- Former section 21 dealing with contracts having over \$1 million in revenue is replicated in the charter (charter section 9.118) and was deleted from the 1998-99 ordinance.

I will be pleased to furnish further detail should you find that helpful.

Very truly yours,


Edward Harrington
Controller

99aao.rev

Mayor's Capital Investment and Systems Investment Reserves

Capital Investment Reserve

Asian Arts Museum	Asbestos Removal/Track Ltg.	\$120,000
Asian Arts Museum	Facilities Maintenance	75,000
Administrative Services	Facility Condition Monitoring	175,000
Administrative Services	Disabled Access - Citywide	650,000
Admin Svcs - Animal Care & Co	Elevator Renovation	85,000
Admin Svcs - Animal Care & Co	Facilities Maintenance	10,000
Art Commission	Monument Maintenance	10,000
Art Commission	Facilities Maintenance	75,000
Municipal Railway	Facilities Maintenance	250,000
Department of Public Works	Civic Center District Planning	175,000
Department of Public Works	Civic Center Plaza Lighting	450,000
Department of Public Works	Harvey Milk Plaza Planning	50,000
Department of Public Works	Mid Market Street Planning	800,000
Department of Public Works	Gen 6618e Third St Bridge Retrofit	995,000
Department of Public Works	Capital Planning	150,000
Department of Public Works	Removal of Usts	1,990,000
Department of Public Works	Misc Fac Maint Proj	573,000
Department of Public Works	Citywide Asbestos & Lead Abateme	400,000
Human Services	Facilities Maintenance	25,000
Fine Arts Museum	Facilities Maintenance	75,000
Fire Department	Facilities Maintenance	196,000
Community Health Network	Haz Mat Abatement-Var Health Ce	40,000
Community Health Network	Fire Alarm Installation-Hc 1	55,000
Community Health Network	Fire Alarm/Security Sys - Nom	35,000
Community Health Network	JCAHO Life-safety Corrections	360,000
Community Health Network	Med-Psych Nursing Unit	150,000
Community Health Network	Main Bldg Roof Replacement	1,901,000
Community Health Network	Facilities Maintenance	1,150,000
Community Health Network	Facilities Maintenance	200,000
Public Health	Painting Exterior @ 9 Health Cente	100,000
Public Health	Additional Funding Ada Plan	250,000
Public Health	Additional Medical Exam Rooms	250,000
Public Health	Painting Interior 10 Health Centers	250,000
Public Health	Signage	250,000
Public Health	Waiting Areas	210,000
Public Health	Reconfigure Eligibility Areas	150,000
Public Health	Emerg Generator-Central office	50,000
Public Health	Facilities Maintenance - Other	40,000
Public Health	Facilities Maintenance - Other	20,000
Public Health	Facilities Maint - Richmond/Sunset	20,000
Juvenile Probation	Fac Maintenance - Youth Guidance	200,000
Juvenile Probation	Fac Maintenance - Log Cabin Ranch	60,000
Juvenile Probation	Repair Storm Damaged Roads	203,000
Public Library	Roof Repairs, Various Branches	250,000

BOARD OF SUPERVISORS
BUDGET ANALYST

Mayor's Capital Investment and Systems Investment Reserves**Capital Investment Reserve -
continued**

Public Library	Facilities Maintenance	240,000
Police	301 Eddy TTF Building	4,277,000
Police	Treasure Island Training Facility	\$ 1,149,400
Police	Various Locations	110,000
Parking Traffic Commission	Facilities Maintenance	150,000
Admin Svcs - Purchasing	Facilities Maintenance	15,000
Recreation and Park Commissio	Temporary Repair of Conservatory	200,000
Recreation and Park Commissio	Candlestick-Maintenance	600,000
Recreation and Park Commissio	Mather-Facilities Maintenance	250,000
Recreation and Park Commissio	Golf-Facilities Maintenance	400,000
Recreation and Park Commissio	Pks/Sqs-Fencing	45,000
Recreation and Park Commissio	Repair/Maint Surfaced Areas	50,000
Recreation and Park Commissio	Zoo-Facilities Maintenance	25,000
Academy of Sciences	Misc Facilitie Maint Projects	75,000
Sheriff	Facilities Maintenance	350,000
Telecommunications & Informat	Facilities Maintenance	25,000

Svcs

Total Capital Investment Reserve**\$21,484,400****System Investment Reserve**

Assessor / Recorder	Ab818 Inpact System	\$1,013,000
Controller	Time Entry Project	472,402
General City Responsibility	Year 2000 Project	500,000
General City Responsibility	Court Management System	250,000
Human Resources	Human Resources Management Sys	4,916,886
Telecommunications & Informat	Tivoli Systems Project	1,000,000
Treasurer/Tax Collector	TTX - Systems Project	504,000
Total System Investment Re:		\$8,656,288

Svcs

Grand Total**\$30,140,688**

ANDREA R. GOURDINE
HUMAN RESOURCES DIRECTOR

June 1, 1998

Mr. John Taylor
Clerk of the Board
401 Van Ness Avenue, Room 308
San Francisco, CA 94102

Dear Mr. Taylor:

Attached is the Interim Annual Salary Ordinance for the fiscal year ending June 30, 1999. This document is being submitted in accordance with the provisions of Chapter 3, Sections 3.1; 3.2; 3.3; and 3.5 of the San Francisco Administrative Code relating to time for consideration of the annual budget and interim appropriation and salary ordinances.

Administrative provisions have been revised as follows:

- Section 1.1.B, has been revised to conform with the Annual Appropriation Ordinance which allows the Police Department to change the number of positions within classes in a rank, provided that the total number of authorized positions in a rank is not increased.
- Section 2.3, Explanation of position indicators, has been revised to match budget instructions.

This ordinance enumerates all permanent and temporary positions created by the Mayor in submitting the proposed budget for the coming fiscal year. The information in this ordinance was taken from the budget file and is as accurate as possible given the short time period for review.

It should be noted that certain pay rates included in the document may not reflect FY 1998/99 year end rates due to negotiated wage settlements, arbitration awards, etc. Corrections will be made upon ratification of related legislation.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Andrea R. Gourdine".

Andrea R. Gourdine
Human Resources Director

cc. Harvey Rose ✓

ARG\LMagb

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Detail of Requests for Exceptions to the Interim Appropriation Ordinance**Department of Human Services**

<u>Program</u>	<u>Class</u>	<u>Title</u>	<u>No.</u> <u>Positions</u>	<u>1998-99 Budget</u> <u>Amount</u>	<u>Maximum</u> <u>Annual</u> <u>Salaries</u>
CalWorks	2917	Program Support Analyst	2	\$ 111,772	\$ 132,536
CalWorks	9704	Employment Specialist III	1	52,254	52,931
CalWorks	1426	Sr. Clerk Typist	3	98,155	115,962
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Indigent Adults	1820	Jr. Administrative Analyst	1	35,661	42,152
Indigent Adults	1824	Principal Administrative Analyst	1	60,395	73,419
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Family and Children Service	1369	Special Assistant X	1	48,729	59,221
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Family and Children Service	2948	Social Services Section Manager	1	76,379	74,516
Family and Children Service	2940	Child Welfare Worker	1	60,407	58,934
Family and Children Service	2905	Sr. Eligibility Worker	0.5	27,787	24,182
Homeless	1822	Administrative Analyst	1	46,656	55,332
Administration	1374	Special Assistant XV	<u>1</u>	<u>76,551</u>	<u>84,407</u>
Totals			16.5	\$ 819,937	\$ 911,192

The Budget Analyst recommends authorization of interim exceptions for the 16.5 positions listed above.

The proposed budget for the Department of Human Services (DHS) includes 62.5 new positions (51 FTEs). Many of the new positions are directly related to welfare reform implementation, as reported previously by the Budget Analyst when a welfare reform supplemental appropriation was heard by the Board of Supervisors in January, 1998. The Department has requested, and the Mayor has recommended, that 16.5 of these new positions, as shown above, be hired during the interim budget period.

BOARD OF SUPERVISORS
BUDGET ANALYST

Detail of Requests for Exceptions to the Interim Appropriation Ordinance

The justification for the requested interim exceptions is explained below.

- (a) Six positions (35 percent General Fund) for CalWorks, consisting of two Class 2917 Program Support Analyst positions, one Class 9704 Employment Specialist III and three Class 1426 Senior Clerk Typists, which are needed as part of the welfare reform implementation, which started on April 6, 1998;
- (b) Four positions, including one Class 1363 Special Assistant IV, one Class 1369 Special Assistant X and one Class 2904 Case Aide (all State-funded positions) for Family and Children Services (FCS) and one Class 1822 Administrative Analyst (General Fund) for the Homeless Program, all of which will assume functions currently being performed under existing contracts/work orders that are scheduled to expire on July 1, 1998;
- (c) 3.5 positions, consisting of one State-funded Class 2948 Social Services Section Manager and the 0.5 Class 2905 Senior Eligibility Worker (funded through a work order with Juvenile Probation) for Family and Children Services (FCS), one Class 9705 Employment Specialist IV (37.5 percent State and Federally funded) for the Indigent Adults Program and one Class 1374 Special Assistant XV (33 percent General Fund) for Administration, all of which, according to DHS, are already filled and are currently funded from temporary salaries;
- (d) Two State-funded positions for the Indigent Adult Program, including one Class 1820 Junior Administrative Analyst and one Class 1824 Principal Administrative Analyst, which are needed for a State contract that starts on July 1, 1998; and,
- (e) One grant-funded Class 2940 Child Welfare Worker requested for a work order to the Adult Probation Department. The Adult Probation Department has requested a dedicated Child Welfare Worker to assist in Juvenile Dependency case management for the Criminal Justice Network for Women grant, which begins July 1, 1998. According to DHS, an applicant for this position has been selected and is ready for hiring.

Detail of Requests for Exceptions to the Interim Appropriation Ordinance**Municipal Railway**

<u>Program</u>	<u>Class</u>	<u>Title</u>	<u>No.</u> <u>Positions</u>	<u>1998-99 Budget</u> <u>Amount</u>	<u>Maximum</u> <u>Annual</u> <u>Salaries</u>
Muni-Operations	9139	Transit Supervisor	28	\$ 1,382,654	\$ 1,614,337
Muni-Operations	9140	Transit Manager I	<u>1</u>	<u>54,914</u>	<u>58,908</u>
Totals			29	\$ 1,437,568	\$ 1,673,245

The Budget Analyst recommends authorization of interim exceptions for the 29 requested Municipal Railway Positions.

The Municipal Railway currently has approximately 200 vacancies in 9163 Transit Operator positions. Based on current attrition rates, it is estimated that approximately 222 additional Transit Operator positions will become vacant during Fiscal Year 1998-99. The Municipal Railway has established an objective to train sufficient Transit Operators so that all current vacant Transit Operator positions can be filled and additional Transit Operator positions that are expected to become vacant during Fiscal Year 1998-99 can be filled. In order to do so, 28 9139 Transit Supervisor positions and one 9140 Transit Manager position are requested by Muni for purposes of training new Transit Operators. The requested new training positions will require specialized training, which must be conducted by a Federally certified trainer. The Municipal Railway has requested that these new training positions be authorized effective July 1, 1998 so that the needed training can be scheduled as soon as possible.

Administrative Services

<u>Program</u>	<u>Class</u>	<u>Title</u>	<u>No.</u> <u>Positions</u>	<u>1998-99 Budget</u> <u>Amount</u>	<u>Maximum</u> <u>Annual</u> <u>Salaries</u>
Building Operations	9139	Special Assistant XVII	1	\$ 80,388	\$ 97,718

The Budget Analyst recommends authorization of an interim exception for one requested new position in the Administrative Services Department.

The Administrative Services Department's budget includes a 1376 Building Manager position, which will have overall responsibility for coordinating the one-time relocation of all personnel, furniture and equipment back into City Hall. The position will subsequently have the responsibility for maintenance and operation of the City Hall facility. The Department has requested that this position be authorized effective July 1, 1998 for planning and coordination of the reopening of City Hall which is currently scheduled for January of 1999.

REVISED June 8, 1998
Item 6 – File 98-894

<u>Effective Date</u>	<u>Percent Increase</u>
July 1, 1998	2.0%
December 26, 1998	1.5
July 1, 1999	2.0
December 25, 1999	1.5
July 1, 2000	2.0
January 6, 2001	<u>1.5</u>
	10.5%

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As reflected above, all of the employees covered by the proposed MOU would receive wage increases totaling 10.5 percent over the three-year term of the proposed MOU.

Premium Pay

The proposed MOU contains modifications to the pay rate for employees in the 6120 Environmental Health Inspector, 6122 Senior Environmental Health Inspector, and 6124 Principal Environmental Health Inspector classifications who inspect food facilities at professional football games. Under the proposed MOU, employees providing the food inspection at professional football games at 3 Com Park would receive a premium of \$190 in lieu of overtime pay. Currently, the subject employees earn approximately four hours of overtime, which is paid at time and a half. For a 6120 employee, the overtime pay would be approximately \$195 (\$32.45 per hour x 1.5 overtime rate x 4 hours) for a 6122 employee, the overtime pay would be approximately \$209 (\$34.91 per hour x 1.5 overtime rate x 4 hours), and for a 6124 employee, the overtime pay would be approximately \$225 (\$37.56 per hour x 1.5 overtime x 4 hours). According to Mr. Jack Breslin of the Environmental Health Section, the substitution of premium pay for overtime pay is welcome by the TWU Local 250-A, despite resulting in slightly lower pay for the same service, because employees who perform food inspection at professional football games will receive premium pay more quickly than they currently receive overtime pay, and no waiver would be needed for classification 6120, 6122, and 6124 (Z) employees, as is required to receive overtime pay.

Item 6 – File 98-894

Department: Department of Human Resources

Item: Ordinance implementing the provisions of the Memorandum of Understanding between the Transport Worker's Union, Local 250-A (multi-unit) and the City and County of San Francisco for the period July 1, 1998 through June 30, 2001.

Description: The current Memorandum of Understanding (MOU) between Transport Workers Union (TWU), Local 250-A for Units 8-AA, 8-BB, 8-FF, 11-Z, and 11-CC and the City and County of San Francisco expires June 30, 1998. Adoption of this ordinance would implement the provisions of the proposed MOU with TWU Local 250-A for the three year period July 1, 1998 through June 30, 2001. There are 13 classifications and approximately 140 employees represented by this proposed MOU with TWU Local 250-A, as follows:

Bargaining

<u>Unit</u>	<u>Class</u>	<u>Title</u>
Unit 8-AA	6120	Environmental Health Inspector
Unit 8-BB	3262	Curator of Industrial Art, Junior Museum
	3342	Zoo Curator
	3529	Museum Conservator (Asian Art)
	3541	Curator I
	3542	Curator II
	3544	Curator III
	3548	Curator of Natural Science, Junior Museum
Unit 8-FF	2806	Disease Control Investigator
Unit 11-CC	2808	Senior Disease Control Investigator
Unit 11-Z	2810	Principal Disease Control Investigator
	6122	Senior Environmental Health Inspector
	6124	Principal Environmental Health Inspector

In addition to extending the period of time through June 30, 2001, the fiscal provisions of the proposed MOU are as follows:

Wage Increases

The wage rates for the employees covered by the proposed MOU would be increased as follows:

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
June 10, 1998 Finance Committee Meeting

REVISED June 9, 1998
Items 10 and 11- Files 98-928 and 98-931

The Budget Analyst concurs with this estimate. However, the Budget Analyst notes that there are also provisions contained in this MOU which increase dependent care health benefits and provide severance pay, POST certification premiums and professional reimbursements, for which costs are not estimated. The Budget Analyst reports that these provisions will result in additional fiscal impacts, although the amount is not expected to be significant.

Recommendation: Approval of the proposed MOUs are policy matters for the Board of Supervisors.

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BOARD OF SUPERVISORS
BUDGET ANALYST

or after October 1 of each year and could range from negative one percent (which would adjust the subsequent year's wage increase down to two percent) up to three percent of the employee's annual salary, depending on the employee's performance rating. The total performance incentive awards would be limited by an aggregate cap or limit of 1.5 percent of the MEA payroll, unless an individual department overrides this amount and the funds come from that individual department's budget. Although under the proposed MOU, these pay for performance awards would be considered in retirement calculations, the awards would not compound from year to year, but instead would be considered as a bonus for that specific year.

Other Fiscal Changes to MOU

The other major fiscal provisions are summarized in Attachment 2, which was prepared by DHR.

Comments:

1. Given the delay in receiving these two MOUs from the Department of Human Resources and the Budget Analyst's need to currently focus our efforts on the review of the FY 1998-99 budget, the Budget Analyst did not have sufficient time to conduct a comprehensive review of these two proposed MOUs.
2. Attachment 3 contains the Controller's cost estimates for the proposed wage increases, including the pay for performance provision and associated fringe benefit increases as well as the internal adjustments, Airport internal adjustments, IS Study, management training program and life insurance policies. As reflected in Attachment 3, the Controller estimates increased additional costs of \$3,588,153 in FY 1998-99, \$5,235,264 in FY 1999-2000 and \$6,931,788 in 2000-01 as a result of the proposed MOU. Over the three-year term of the Municipal Executives Association MOU, the Controller estimates additional cumulative costs of \$15,755,205 will result.

JUN 11 1998

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Memo to Finance Committee
June 10, 1998 Finance Committee Meeting

REVISED **June 8, 1998**
Files 16, 17 and 18 - Items 98-852, 98-853 and 98-936

<u>Program</u>	<u>Class</u>	<u>Title</u>	<u>No.</u> <u>Positions</u>	<u>1998-99</u> <u>Budget</u> <u>Amount</u>	<u>Maximum</u> <u>Annual</u> <u>Salaries</u>
Family and Children Service	1369	Special Assistant X	1	48,729	59,221
Family and Children Service	2904	Case Aide	1	35,224	40,951
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Homeless Administration	1822	Administrative Analyst	1	46,656	55,332
	1374	Special Assistant XV	1	<u>76,551</u>	<u>84,407</u>
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Municipal Railway

<u>Program</u>	<u>Class</u>	<u>Title</u>	<u>No.</u> <u>Positions</u>	<u>1998-99 Budget</u> <u>Amount</u>	<u>Maximum</u> <u>Annual</u> <u>Salaries</u>
Muni-Operations	9139	Transit Supervisor	28	\$ 1,382,654	\$ 1,614,337
Muni-Operations	9140	Transit Manager I	1	<u>54,914</u>	<u>58,908</u>
Totals			29	\$ 1,437,568	\$ 1,673,245

Administrative Services

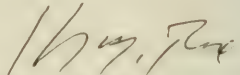
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Building Operations	1376	Special Assistant XVII	1	\$ 80,388	\$ 97,718

As shown above, the Budget Analyst is recommending approval of all of the 46.5 new positions recommended by the Mayor as interim budget exceptions so that the 46.5 new positions can be filled as of July 1, 1998.

Memo to Finance Committee
June 10, 1998 Finance Committee Meeting

Overall Recommendation

Amend the proposed Interim Annual Appropriation Ordinance, the proposed Interim Annual Salary Ordinance and the proposed resolution approving the interim budget for the Redevelopment Agency, in accordance with the exceptions noted above, and approve the legislation as amended.


Harvey M. Rose

cc: Supervisor Teng
President Kaufman
Supervisor Newsom
Supervisor Ammiano
Supervisor Bierman
Supervisor Brown
Supervisor Katz
Supervisor Leno
Supervisor Medina

Supervisor Yaki
Supervisor Yee
Clerk of the Board
Controller
Gail Feldman
Matthew Hymel
Stephen Kawa
Ted Lakey

Detail of Requests for Exceptions to the Interim Appropriation Ordinance**Municipal Railway**

<u>Program</u>	<u>Class</u>	<u>Title</u>	<u>No. Positions</u>	<u>1998-99 Budget Amount</u>	<u>Maximum Annual Salaries</u>
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Administrative Services

<u>Program</u>	<u>Class</u>	<u>Title</u>	<u>No. Positions</u>	<u>1998-99 Budget Amount</u>	<u>Maximum Annual Salaries</u>
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The Budget Analyst recommends authorization of an interim exception for one requested new position in the Administrative Services Department.

The Administrative Services Department's budget includes a 1376 Special Assistant XVII position, which will have overall responsibility for coordinating the one-time relocation of all personnel, furniture and equipment back into City Hall. The position will subsequently have the responsibility for maintenance and operation of the City Hall facility. The Department has requested that this position be authorized effective July 1, 1998 for planning and coordination of the reopening of City Hall which is currently scheduled for January of 1999.

BOARD OF SUPERVISORS
BUDGET ANALYST

CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 Market Street, Suite 1025, San Francisco, CA 94102 (415) 554-7642

FAX (415) 252-0461

June 12, 1998

TO: Finance Committee
FROM: Budget Analyst
SUBJECT: Mayor's Recommended FY 1998-99 Budget

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The Budget Analyst has conducted a detailed review of the Mayor's recommended FY 1998-99 budget and has prepared reports and recommendations to reduce the Mayor's recommended budget. Our reports (a) describe the service impacts resulting from the Mayor's recommended budget when services are affected (b) contain recommendations to reduce various budgeted items and (c) contain recommendations to reserve various budgeted items only if insufficient budgeting data has been submitted to support the budget requests. The recommendations of the Budget Analyst to reduce the Mayor's budget, to be considered by the Finance Committee over the next two weeks, would not result in any existing service level reductions.

The following highlights some of the data contained in the Mayor's recommended 1998-99 budget:

1. The Mayor's recommended FY 1998-99 budget of \$3,861,507,142 is \$456,528,919 or approximately 13.4 percent more than the FY 1997-98 budget of \$3,404,978,223 as finally approved in the FY 1997-98 Annual Appropriation Ordinance.

2. The Mayor's recommended FY 1998-99 total General Fund budget of \$1,815,546,618 is \$223,676,171 more than the FY 1997-98 General Fund budget \$1,591,870,447, an increase of 14.1 percent.

3. The Mayor's recommended FY 1998-99 budget includes 26,756 funded positions or 1,391 more positions than the 25,365 funded positions shown in the original FY 1997-98 budget approved by the Mayor and the Board of Supervisors. The 26,756 new positions in the Mayor's recommended FY 1998-99 budget is 1,158 more than the 25,598 positions in the revised FY 1997-98 budget, after adjusting for supplemental appropriations approved subsequent to the approval of the FY 1997-98 budget.

A total of 421, or 36 percent of the 1,158 new positions are funded from General Fund and General Fund-Supported departments. Of the 421 new General Fund positions, the largest position increases include 109 in the Department of Public Health, 83 in the Municipal Railway, 49 for the Human Services Department, 42 in the Recreation and Park Department, 37 in the Police Department, 16 in the Public Works Department, 11 in the Juvenile Probation Department, and 10 in the Sheriff's Department. Major increases in non General Fund departments include 147 at the Airport, 79 for Human Services, 75 in the Department of Public Works, and 68 in the Department of Parking and Traffic.

The table below provides comparative data, for General Fund Expenditures and reserves, between the original FY 1997-98 budget and the Mayor's Recommended 1998-99 budget.

General Fund
Comparison of Expenditures and Other Uses

USES OF FUNDS	FY 1997-98 <u>Original</u>	FY 1997-98 <u>Revised</u>	FY 1998-99 <u>Proposed</u>	Increase (Decrease) from FY 1997-98 <u>Original</u>	Percent Increase (Decrease) from <u>Original</u>
<u>Regular Expenditures</u>					
Gross Expenditures	\$1,556,399,778	\$1,594,253,247	\$1,767,890,902	\$211,491,124	13.6%
Less Interdepartmental Recoveries	<u>(116,360,316)</u>	<u>(120,188,591)</u>	<u>(158,559,561)</u>	<u>(42,199,245)</u>	36.3%
Net Regular Expenditures	1,440,039,462	1,474,064,656	1,609,331,341	169,291,879	11.8%
Capital Improvement/ Facilities Maintenance	15,144,226	15,332,781	21,259,228	6,115,002	40.4%
Contributions to General Fund Supported Departments	105,461,766	108,718,518	119,812,724	14,350,958	13.6%
Reserves	20,724,993	4,622,510	45,143,325	24,418,332	117.8%
General Fund Reserve	<u>10,500,000</u>	<u>62,356</u>	<u>20,000,000</u>	<u>9,500,000</u>	90.5%
Total Uses of Funds	\$1,591,870,447	\$1,602,800,821	\$1,815,546,618	\$223,676,171	14.1%

BOARD OF SUPERVISORS
BUDGET ANALYST

4. The Mayor's recommended FY 1998-99 budget contains an undesignated General Fund Reserve of \$20,000,000, which is \$9,500,000 or 90.5 percent more than the \$10,500,000 General Fund Reserve as finally approved in the FY 1997-98 Annual Appropriation Ordinance.

In addition to the undesignated General Fund Reserve of \$20,000,000, the Mayor's Recommended FY 1998-99 budget contains eight designated General Fund Reserves as follows:

Litigation	\$9,000,000
Salary and Benefits	16,143,325
Year-end Closing Audit Adjustments	4,500,000
City Investment Reserve	15,000,000
Electronic Meter Program	1,660,166
Universal Health Care	500,000
Capital Investments	21,484,400 *
Systems Investments	<u>8,656,288 *</u>
Total Designated Reserves	\$76,944,179

* Mayor's Reserves of specific project appropriations in the budget.

The Litigation Reserve is established every year to set aside funds for lawsuits and related expenses anticipated by the City Attorney for the 1998-99 Fiscal Year. The Salary and Benefits Reserve is calculated by the Controller and the Mayor's Office to provide funding for pending labor agreements that have not yet been approved by the Board of Supervisors. The Year-End Closing Audit Adjustments Reserve is established to provide funds for necessary expenditure adjustments that are required during the closeout of the 1997-98 Fiscal Year and preparation of the Consolidated Annual Financial Report.

The remaining reserves are unique to the Mayor's Recommended FY 1998-99 budget. According to Mr. Matthew Hymel, Mayor's Director of Finance, the City Investment Reserve in the amount of \$15,000,000 is recommended to set aside funds for unanticipated revenue shortfalls and appropriate investments in expenditures of a one-time nature that are sound business decisions to improve the efficiency and effectiveness of City operations. All appropriations from the City Investment Reserve will require a supplemental appropriation that must be approved by the Mayor and the Board of Supervisors.

The Electronic Meter Program Reserve of \$1,660,166 is for the anticipated first year expenditures to begin replacement of the City's mechanical parking

meters with electronic parking meters. The Department of Parking and Traffic is expected to submit a supplemental appropriation, using the \$1,660,166 Electronic Meter Program Reserve as a source of funds, which will require approval by the Mayor and the Board of Supervisors, during the first half of the 1998-99 Fiscal Year for a program start date of December 1, 1998. Although the first year costs have been estimated at \$1,660,166, the specific expenditures for the initial costs for lease financing of the electronic meters and limited term staffing requirements will be included in the supplemental appropriation. At this time, the full cost of the meter replacement program, which will be incurred over two or more fiscal years, has not been determined.

The Universal Health Care Reserve of \$500,000 has been recommended by the Mayor to create a source of funding for start-up costs to create a new, quasi-public health care provider entity to implement the recommendations of the Mayor's Blue Ribbon Commission for Health Care. Creation of the new health care provider will require a Charter Amendment, which is expected to be placed on the ballot for the November, 1998 election. Details of how the \$500,000 in reserved funds will be spent for Universal Health Care start-up costs are not available at this time. A supplemental appropriation, which will require approval by the Mayor and the Board of Supervisors, will be needed before expenditure of funds for such start-up costs.

The Mayor has recommended a Capital Investments Reserve in the amount of \$21,484,400. This Reserve represents capital improvement projects that are budgeted in various General Fund and General Fund Supported Departments. The Mayor has also recommended a Systems Investment Reserve in the amount of \$8,656,288. This reserve covers major information technology projects for various General Fund and General Fund Supported Departments.

In addition, the City has an Emergency Reserve Fund balance of \$4,198,046 carried forward from FY 1997-98 into FY 1998-99.

Memo to Budget Committee
June 12, 1998

In addition to the Mayor's recommended reserves, the Controller has established a Reserve Pending Revenue Certification in the amount of \$136,862,950 for various expenditures that are dependent on revenues that have not yet been received as described below:

<u>Department</u>	<u>Reason for Reserve</u>	<u>Expenditure Reserved</u>	<u>Amount</u>
DSS - Human Services	State Childcare program revenue not yet approved in State budget	Salaries	\$ 1,035,830
		Fringe Benefits	246,552
		Non Personal Services	22,697,703
		Capital Outlay	<u>1,000,000</u>
		Sub total	\$ 24,980,085
CWP - Clean Water	Pending sale of bonds	Series 1995 A bond funds	27,600,000
WTR - Water Department	Pending sale of bonds	Series 1998 A bond funds	54,694,500
	Pending sale of bonds	Series 1998 B bond funds	<u>15,780,000</u>
ECD - Emergency Communications Dept.	Pending sale of bonds	Series 98/99 bond funds	<u>13,808,365</u>
Total Controller's Reserves			\$136,862,950

If the Board of Supervisors approves the proposed programs and projects shown in the table above, the revenue reserves may be released by the Controller on certification of supporting revenue without further approval by the Board of Supervisors.

5. The March 3, 1998 Joint Report prepared by the Mayor's Director of Finance, the Controller and the Budget Analyst projected a General Fund revenue surplus of \$6,400,000 for Fiscal Year 1998-99. At that time, the Controller had estimated that the FY 1997-98 General Fund year end surplus, which would be available as a source of funds for the 1998-99 budget, would amount to \$78,400,000. Subsequently, on May 1, 1998, the Controller issued his Nine-Month Budget Status report with an \$101,700,000 estimate of the FY 1997-98 General Fund year end surplus. This \$101,700,000 year-end General Fund surplus, which has been included in the Mayor's Recommended 1998-99 budget as a source of funds, is an increase of \$23.3 million over the Controller's previous estimate used for the March 3, 1998 Joint Report and an increase of \$50,244,934 over the \$51,455,066 FY 1996-97 estimated surplus which was used as a source of funds for the original FY 1997-98 budget.

BOARD OF SUPERVISORS
BUDGET ANALYST

6. In past Fiscal Years, the Budget Analyst has reported to the Board of Supervisors that certain General Fund expenditures in the Mayor's recommended budget have been significantly underbudgeted. Typically, such items include Police Overtime and Workers' Compensation. In FY 1997-98, the SFPD has exceeded its overtime budget by an estimated \$2,500,000, according to the Controller's latest expenditure projections. This overexpenditure has been offset by salary and fringe benefit savings. For the FY 1998-99 budget, the Mayor has recommended an increase in General Fund overtime expenditures of \$1,500,000. Based on current year spending therefore, Police Overtime may be underbudgeted by \$1,000,000. The actual amount of Police Overtime needed in excess of the annual budget appropriation will depend largely on the level of special event coverage required of the SFPD. Also, as reported in the Budget Analyst's Phase 2 Performance Audit, the Department is preparing legislation for submission to the Police Commission and the Board of Supervisors to increase special event cost recovery by as much as \$650,000 on an annual basis. It is unlikely however, that such legislation could be approved and enacted during FY 1998-99 to recover the full amount of \$650,000.

The Controller's Nine-Month budget status report estimated a General Fund deficit in Workers Compensation amounting to approximately \$3.5 million. The Mayor's Recommended FY 1998-99 budget has increased budgeted expenditures for Workers Compensation in General Fund and General Fund supported departments by approximately \$3.5 million. Therefore, based on current expenditure patterns, this account appears to be adequately funded.

7. The Mayor's recommended FY 1998-99 budget includes a new Department that combines the 911 Project construction and the new emergency communication services operations into the new Emergency Communications Department.

8. The Budget Analyst will be presenting recommendations to reduce expenditures in the Mayor's recommended FY 1998-99 budget without reducing services below current levels. Significant recommendations will be presented for the following City Departmental budgets to be considered by the Finance Committee at its meeting of June 16, 1998, with various other recommended reductions to be reported subsequent to the issuance of this report:

<u>Department</u>	<u>Budget Analyst's Recommended Expenditure Reductions</u>
City Attorney	\$ 1,546,723
Tax Collector	375,839
Trial Courts	886,620 *
Sheriff	1,263,453
Police	2,338,305
Fire	<u>552,750</u>
 Total	 \$ 6,963,690

* The budget of the Trial Courts is not subject to review by the Mayor and only the Board of Supervisors can reduce the budget of the Trial Courts.

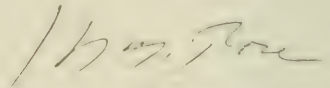
The recommendations of the Budget Analyst are subject to change over the next two weeks based on new information provided by City Departments.

9. The Mayor's recommended FY 1998-99 budget includes a total of \$5,367,130 in General Fund monies for unspecified office equipment in various department budgets in connection with the move back into City Hall (\$1,412,284) and System Furniture Units consisting of workstation partitions, furniture, desk units, bookcases, file cabinets and storage cabinets for the move back to City Hall (\$3,954,846). During our review of the FY 1998-99 budget, most City Departments informed the Budget Analyst that the Mayor had added funding for such items to their budgets and that the Departments could not provide details to justify such expenditures. The Budget Analyst is recommending that all unspecified office equipment be deleted from the departmental budgets that contain such items and that all expenditures for System Furniture Units be reserved pending additional details and justification.

Memo to Budget Committee
June 12, 1998

10. The results of the Budget Analyst's review are detailed in three separate reports to the Finance Committee. Each report contains the recommendations of the Budget Analyst, along with explanations supporting those recommendations. These reports are as follows:

- General Administration and Finance and Public Protection (June 16, 1998, 1:00 p.m.)
- Culture and Recreation and Public Works, Transportation and Commerce (June 17, 1998, 1:00 p.m.)
- Human Welfare, Community Health - Department of Public Health, General City Responsibilities and Capital Projects (June 18, 1998, 1:00 p.m.)



Harvey M. Rose

cc: Supervisor Teng	Supervisor Yaki
President Kaufman	Supervisor Yee
Supervisor Newsom	Clerk of the Board
Supervisor Ammiano	Controller
Supervisor Bierman	Gail Feldman
Supervisor Brown	Matthew Hymel
Supervisor Katz	Stephen Kawa
Supervisor Leno	Ted Lakey
Supervisor Medina	

BOARD OF SUPERVISORS
BUDGET ANALYST

For copy 1st posted 6/12/48

15 1998

BUDGET HEARINGS

70.25

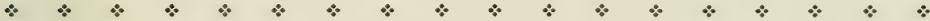
16, 17, 18, 20/98

JUNE 16, 17, 18, & 20, 1998

VETERANS BUILDING
401 VAN NESS AVE, ROOM 410
SAN FRANCISCO, CA. 94102

MEMBERS: Supervisors Mabel Teng, Barbara Kaufman, Gavin Newsom

CLERK: Joni Blanchard



Both the Committee Room (Room 410) and the Chamber (Room 404) are wheelchair accessible. The closest accessible BART Station is Civic Center, four blocks from the Veterans Building. Accessible MUNI lines serving this location are: #42 Downtown Loop and the #71 Haight/Noriega and the F line to Market and Van Ness and the METRO stations at Van Ness and Market and at Civic Center. For more information about MUNI accessible services, call 923-6142.



There is accessible parking in the vicinity of the Veterans Building adjacent to Davies Hall and the War Memorial Complex.



Assistive listening devices are available for use in the Meeting Room and the Board Chamber. A device can be borrowed prior to or during a meeting. Borrower identification is required and must be held by Room 308 staff.

The following services are available on request 48 hours prior to the meeting or hearing:

- ❖ For American sign language interpreters or the use of a reader during a meeting, contact Violeta Mosuela at (415) 554-7704.
- ❖ For a large print copy of an agenda, contact Moe Vazquez at (415) 554-4909.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City to accommodate these individuals.

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. The Sunshine Ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at 554-4851.

A G E N D A

DEPARTMENTAL BUDGET HEARINGS
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

TUESDAY, JUNE 16, 1998 - 1:00 P.M.

VETERANS BUILDING
401 VAN NESS AVENUE
ROOM 410

MEMBERS: SUPERVISORS MABEL TENG, BARBARA KAUFMAN, GAVIN NEWSOM

CLERK: JONI BLANCHARD

1. File 98-0849. [Annual Budget] Consideration of the Annual Budget of the City and County of San Francisco for Fiscal Year 1998-99. (Mayor Willie L. Brown, Jr.)

General Administration and Finance

ADM	Administrative Services
CFM	Convention Facilities Management
PUR	Purchaser
REG	Elections
RES	Real Estate
MYR	Mayor
CHF	Children, Youth & Families
ECN	Business & Economic Development
ENV	Environment
BOS	Board of Supervisors
ETH	Ethics Commission
CAT	City Attorney
TTX	Treasurer/Tax Collector
CON	Controller
ASR	Assessor/Recorder
CPC	City Planning
PAB	Board of Appeals
RNT	Rent Arbitration Board
CSC	Civil Service Commission
HRD	Human Resources
RET	Retirement System

Public Protection

CRT	Trial Courts
JUV	Juvenile Probation
LLB	Law Library
AGW	County Agriculture/Weights & Measures
CME	Coronor
ANC	Animal Care and Control
PAG	Public Administrative/Guardian
DAT	District Attorney
PDR	Public Defender
SHF	Sheriff
ADP	Adult Probation
FIR	Fire Department
POL	Police

ACTION:

A G E N D A

DEPARTMENTAL BUDGET HEARINGS FINANCE COMMITTEE BOARD OF SUPERVISORS CITY AND COUNTY OF SAN FRANCISCO

WEDNESDAY, JUNE 17, 1998 - 1:00 P.M.

VETERANS BUILDING
401 VAN NESS AVENUE
ROOM 410

MEMBERS: SUPERVISORS MABEL TENG, BARBARA KAUFMAN, GAVIN NEWSOM

CLERK: JONI BLANCHARD

1. File 98-0849. [Annual Budget] Consideration of the Annual Budget of the City and County of San Francisco for Fiscal Year 1998-99. (Mayor Willie L. Brown, Jr.)

Culture and Recreation

USD	County Education Office
SCI	Academy of Sciences
ART	Art Commission
WAR	War Memorial
FAM	Fine Arts Museum
AAM	Asian Art Museum
LIB	Public Library
REC	Recreation and Park Commission

Public Works, Transportation and Commerce

DPW	Public Works
DBI	Building Inspection
AIR	Airport
PRT	Port
PTC	Parking and Traffic
TIS	Telecommunications & Information Services
PUC	Public Utilities Commission (PUC)
LHP	Light, Heat and Power
HHP	Hetch Hetchy Project
WTR	Water
CWP	Clean Water
DPT	Municipal Railway
	San Francisco Redevelopment Agency

ACTION:

A G E N D A

DEPARTMENTAL BUDGET HEARINGS
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

THURSDAY, JUNE 18, 1998 - 1:00 P.M.

VETERANS BUILDING
401 VAN NESS AVENUE
ROOM 410

MEMBERS: SUPERVISORS MABEL TENG, BARBARA KAUFMAN, GAVIN NEWSOM

CLERK: JONI BLANCHARD

1. File 98-0849. [Annual Budget] Consideration of the Annual Budget of the City and County of San Francisco for Fiscal Year 1998-99. (Mayor Willie L. Brown, Jr.)

Human Welfare

AGE	Commission on Aging
HRC	Human Rights Commission
WOM	Commission on the Status of Women
DHS	Human Services

Community Health - Department of Public Health

HCN	Community Health Network
HPH	Public Health

GEN General City Responsibilities

CAP Capital Projects

ACTION:

A G E N D A

FINANCE COMMITTEE PUBLIC HEARING - PUBLIC TESTIMONY

BOARD OF SUPERVISORS CITY AND COUNTY OF SAN FRANCISCO

SATURDAY, JUNE 20, 1998 - 9:00 A.M.

VETERANS BUILDING
401 VAN NESS AVENUE
ROOM 410

MEMBERS: SUPERVISORS MABEL TENG, BARBARA KAUFMAN, GAVIN NEWSOM

CLERK: JONI BLANCHARD

1. File 98-0849. [Annual Budget] Consideration of the Annual Budget of the City and County of San Francisco for Fiscal Year 1998-99. (Mayor Willie L. Brown, Jr.)

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BOS	Board of Supervisors
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ADP	Adult Probation
FIR	Fire Department
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REC	Recreation and Park Commission

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PRT	Port
PTC	Parking and Traffic
TIS	Telecommunications & Information Services
PUC	Public Utilities Commission (PUC)
LHP	Light, Heat and Power
HHP	Hetch Hetchy Project
WTR	Water
CWP	Clean Water
DPT	Municipal Railway
	San Francisco Redevelopment Agency

Human Welfare

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HRC	Human Rights Commission
WOM	Commission on the Status of Women
DHS	Human Services

Community Health - Department of Public Health

HCN Community Health Network
HPH Public Health

GEN General City Responsibilities

CAP Capital Projects

ACTION:

Finance Committee
S.F. Board of Supervisors
401 Van Ness Ave., Room 308
San Francisco, CA 94102

IMPORTANT HEARING NOTICE!!!

Bill Lynch
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22/98
CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 Market Street, Suite 1025, San Francisco, CA 94102 (415) 554-7642
FAX (415) 252-0461

June 18, 1998

TO: Finance Committee

FROM: Budget Analyst *Recommendations for meeting of*

SUBJECT: June 22, 1998 Special Finance Committee Meeting

DOCUMENTS DEPT.

JUN 23 1998

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PUBLIC LIBRARY

Item 1 - File 98-846

Note: This item was continued by the Finance Committee at its meeting of June 10, 1998.

1. The proposed ordinance would amend Section 16.157 of the Administrative Code to approve the City's FY 1998-99 Health Service System plans and rates of contribution, as adopted by the Health Service Board, to be paid by the members of the System. The members of the System are employees, retirees, and surviving spouses of former employees and retirees of the City and County of San Francisco, the San Francisco Unified School District, and the Community College District.

2. The Board of Supervisors previously adopted a resolution (File 98-510) setting the City's contribution to the Health Service Fund for FY 1998-99 at \$174.76 per month for each member. The City's contribution was established in accordance with Charter Sections A8.423 and A8.428, which set the average contribution rate based on a survey of the 10 most populous counties in California (excluding San Francisco). The City's contribution of \$174.76 per month (\$2,097.12 annually) represents an increase of \$4.17 per month, or approximately 2.4 percent from the FY 1997-98 rate of \$170.59 per month (\$2,047.08 annually).

Memo to Finance Committee
June 22, 1998 Special Finance Committee Meeting

3. Once the City's contribution is established, member contributions are calculated by the Health Service System actuary, Rael and Letson, Consulting Actuaries, in order to ensure that contributions from all sources will be adequate to support anticipated claims for the upcoming fiscal year. The proposed ordinance would establish member contribution rates for FY 1998-99 pursuant to Charter Sections A8.421 and A8.422. Charter Sections A8.421 and A8.422 require approval by three-fourths of the members of the Board of Supervisors after the Board has secured an actuarial report of the costs and effects of any proposed change in the benefits of the Health Service System or rates of contribution. Contribution rates vary according to: (1) whether or not a member is an active employee, retired employee, or surviving spouse; (2) whether or not that individual has Medicare coverage; and (3) which of the City's four health plans that individual elects to join. The actuarial report and details of the member contribution rates are contained in the Clerk's file.

4. The following plans will be offered in FY 1998-99:

- City Health Plan*
- Kaiser Foundation Health Plan
- Health Net
- PacifiCare

* Administered by the City's Health Service System.

5. According to Ms. Ann Sommercamp, Deputy Director of the Health Service System, the total revenue from employer and member contributions for the health plans in FY 1998-99 is estimated to be \$172.2 million. A summary of the revenue sources is as follows:

	Amount (Millions)	Percent of Total Contributions
City and County Employer Contribution		
- Active Employees	\$94.5	54.9%
- Retired Employees and Surviving Spouses	23.7	13.8
School District/Community College District Employer Contribution		
- Active Employees	20.3	11.8
- Retired Employees and Surviving Spouses	<u>9.5</u>	<u>5.5</u>
Total Employer Contributions	\$148.0	86.0
Employee Contributions	<u>24.2</u>	<u>14.0</u>
TOTAL CONTRIBUTIONS	\$172.2	100.0%

6. According to Ms. Sommercamp, of the total estimated employer contributions of \$148 million, approximately \$118 million or 80 percent, would be contributed from the City's General Fund. The remaining \$30 million of employer contributions would be paid from the City's Special Funds (e.g., Airport, Port, Water Department and Hetch Hetchy) and from Unified School District and Community College District revenue sources.

7. As previously noted, the increase in the employer's (City's) contribution of \$4.17 per month was established based on a survey of average contribution rates for the 10 most populous counties in California, in accordance with Charter Sections A8.423 and A8.428. As shown below, the cost changes to members for their portion of health premiums for FY 1998-99 range from a reduction of \$3.89 per month (\$46.68 annually) to an increase of \$144.42 per month (\$1,733.04 annually), depending on the health plan selected.

A comparison of the FY 1997-98 monthly rates for members of the Health Service System (including active and retired City employees) with the proposed FY 1998-99 rates adopted by the Health Service Board and the monthly difference in costs are as follows:

	1997-98 Monthly Rates	1998-99 Monthly Rates	Monthly Increase/ (Decrease)
<u>City Health Plan</u>			
Single Employee	\$21.12	\$43.43	\$22.31
Employee plus one dependant	170.09	238.12	68.03
Employee plus two dependants	279.50	423.92	144.42
<u>Kaiser Foundation Health Plan</u>			
Single Employee	0.00	2.00	2.00
Employee plus one dependant	157.18	164.38	7.20
Employee plus two dependants	260.92	299.16	38.24
<u>Health Net</u>			
Single Employee	0.00	2.00	2.00
Employee plus one dependant	161.10	165.72	4.62
Employee plus two dependants	268.55	302.80	34.25
<u>PacifiCare</u>			
Single Employee	0.00	2.00	2.00
Employee plus one dependant	156.70	152.81	(3.89)
Employee plus two dependants	260.33	279.18	18.85

BOARD OF SUPERVISORS
BUDGET ANALYST

A description of changes to health benefits under these plans is provided in the Attachment.

8. In FY 1997-98, the Health Service Board subsidized employee rates for the City Health Plan by \$5.65 million, from the Health Service Trust Fund, in order to make the City's Health Plan more competitive with the other Health Maintenance Organizations (HMOs) offered to employees (Kaiser, Health Net, PacificCare). However, according to Ms. Sommercamp, the benefits provided under the City Health Plan were not sustainable at a competitive price. As a result, there will be an increase in the employee contributions under the City Health Plan for FY 1998-99, as reflected in the table above. Ms. Sommercamp advises that, for FY 1998-99, the Health Service Board has elected to subsidize employee rates for the City Health Plan with approximately \$2.0 million in interest earnings from the Health Service Trust Fund, which consists of accumulated contingency funds generated from excess employee contributions, plus interest.

9. The total estimated cost of \$172.2 million for the various health plans for FY 1998-99, including the employer and employee contributions, represents an increase of approximately 9.3 percent or \$14.6 million from the projected FY 1997-98 costs of \$157.6 million.

10. The Health Service Board has approved the continuance of Delta Dental of California, the PMI DeltaCare Dental Plan and the Pacific Union Dental Plan. According to Ms. Sommercamp, as of March, 1998, a total of 22,502 employees were enrolled in the existing City-paid dental plans. Total premiums (based on current membership) will be an estimated \$23.99 million for FY 1998-99, an increase of approximately \$2.27 million (10.4 percent) over projected premiums for FY 1997-98 of approximately \$21.72 million. A summary of these costs is as follows:

	Employee Membership	Projected 1997-98 Premiums*	Projected 1998-99 Premiums**
Delta Dental of California	20,083	\$20,749,153	\$22,930,000
PMI DeltaCare Dental Plan	1,714	723,429	773,244
Pacific Union Dental Plan	<u>705</u>	<u>248,350</u>	<u>282,732</u>
Total	22,502	\$21,720,932	\$23,985,976

* Based on March 1, 1998 enrollments at existing monthly rates.

** Based on March 1, 1998 enrollments at FY 1998-99 rates.

11. A comparison of the FY 1997-98 and FY 1999-99 premium monthly rate schedules for employer contributions of the three dental plans is as follows:

	1997-98 Monthly <u>Rates</u>	1998-99 Monthly <u>Rates</u>	Monthly Increase/ (Decrease)
<u>Delta Dental</u>			
Single Employee	\$43.85	\$46.68	\$2.83
Employee plus one dependant	74.19	79.36	5.17
Employee plus two dependants	113.20	121.37	8.17
<u>PMI DeltaCare Dental Plan</u>			
Single Employee	22.01	22.17	0.16
Employee plus one dependant	35.98	36.58	0.60
Employee plus two dependants	52.97	54.09	1.12
<u>Pacific Union Dental Plan</u>			
Single Employee	17.50	18.55	1.05
Employee plus one dependant	27.50	29.15	1.65
Employee plus two dependants	43.50	46.11	2.61

12. A choice of three dental plans that are fully paid for by retirees and active employees who are ineligible for employer paid dental coverage will also continue to be offered with no cost to the City. The three dental plans have reduced benefits in order to reduce the premium cost for plan participants. Active employees who are not eligible for employer paid dental coverage include provisional employees of the Unified School District and the Community College District.

13. The 1998-99 monthly premium rates of the dental plans with employee contributions are as follows:

	1997-98 Monthly <u>Rates</u>	1998-99 Monthly <u>Rates</u>	Monthly Increase/ (Decrease)
<u>Delta Dental</u>			
Single Employee	\$30.38	\$30.38	\$0
Employee plus one dependant	60.47	60.47	0
Employee plus two dependants	85.08	85.08	0
<u>PMI DeltaCare Dental Plan</u>			
Single Employee	13.28	13.69	0.41
Employee plus one dependant	21.91	22.59	0.68
Employee plus two dependants	32.41	33.41	1.00
<u>Pacific Union Dental Plan</u>			
Single Employee	10.25	10.86	0.61
Employee plus one dependant	18.25	19.35	1.10
Employee plus two dependants	26.00	27.56	1.56

Recommendation

Approve the proposed ordinance.

Item 2 - File 98-927

Note: This item was continued by the Finance Committee at its meeting of June 10, 1998.

Department: Department of Human Resources (DHR)

Item: Ordinance implementing the provisions of an arbitration award for a Memorandum of Understanding (MOU) between the Deputy Sheriffs' Association and the City and County of San Francisco, to be effective July 1, 1998 though June 30, 2001.

Description: In June of 1995, the Board of Supervisors approved an arbitration award for a MOU with the Deputy Sheriffs' Association for the three-year period from July 1, 1995 through June 30, 1998. The proposed ordinance would implement the provisions of another arbitration award to extend the terms of the MOU with the Deputy Sheriffs Association for another three-year period from July 1, 1998 through June 30, 2001.

An arbitration award was required because the Deputy Sheriffs Association and the City representatives could not reach agreement on the provisions of the subject MOU. As a result, in accordance with Charter Section 8.409-4(d), a three-party Board of Arbitrators were selected by the City and the Deputy Sheriffs' Association. The Board of Arbitrators was comprised of Mr. John Walsh, the City-designated arbitrator, Mr. Robert Boileau, the union-designated arbitrator and Mr. Donald H. Wollett, a neutral arbitrator. Mediation and arbitration hearings were held on May 4, 12, 13 and 15, 1998. The Board of Arbitrators met separately on May 18 and 20, 1998 to determine the proposed award.

The Deputy Sheriff's Association covers the following seven classifications, for a total of 748 employees.

<u>Classification</u>	<u>Employee Title</u>
8302	Deputy Sheriff I
8304	Deputy Sheriff
8306	Senior Deputy Sheriff
8308	Sheriff's Sergeant
8310	Sheriff's Lieutenant
8312	Sheriff's Captain
8314	Chief Deputy Sheriff

In addition to extending the period of time through June 30, 2001, the major fiscal provisions of the proposed arbitrated MOU are as follows:

Wage Increases

The wage rates for all of the employees covered by the proposed MOU would be increased as follows:

<u>Effective Date</u>	<u>Percent Increase</u>
July 1, 1998	4.0%
December 26, 1998	2.0
July 1, 1999	3.0
December 25, 1999	2.0
July 1, 2000	2.5
January 6, 2001	<u>2.5</u>
Total	16.0%

As reflected above, all of the employees covered by the proposed MOU would receive wage increases totaling 16 percent over the three-year term of the proposed MOU.

Night Duty Premium

In addition to the wage increases noted above, employees, who as part of their regularly scheduled work shift, are required to work any hours between 5:00 p.m. and 7:00 a.m. will receive a night duty premium of eight percent per hour for the hours worked. Under the current MOU, the night duty premium is six and one-quarter percent.

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Acting Assignment Pay

The proposed MOU would permit employees that are assigned to perform the duties of a higher classification for more than 21 consecutive working days to receive not less than an additional five percent over their base rate of pay, for the duration of their assignment. Under the current MOU, there is no specific provision for acting assignment pay. However, Ms. Alice Villagomez of the DHR reports that the language in the proposed MOU mirrors the language that was contained in the City's former Salary Standardization Ordinance.

Provisional (Non-Permanent) Employees

Effective July 1, 1998, each provisional (non-permanent) employee would receive a salary step increase after 2,080 hours in that provisional assignment and a salary step increase for each subsequent additional 2,080 hours in the assignment. Under the current MOU, provisional employees remain at the same salary step to which they were hired and cannot advance to higher steps in the salary schedule, until they become permanent employees. According to Ms. Villagomez, the majority of provisional miscellaneous employees in the City, who are covered by the Service Employees International Union (SEIU) contract, already receive such step advances.

Uniforms

Under the proposed MOU, the uniform allowance for each employee would be increased as follows:

Currently	\$675
Effective September 1, 1998	700
Effective September 1, 1999	725
Effective September 1, 2000	750

Staffing Levels

The current staffing levels in the County's jail facilities and courts, which are detailed in Appendix B of the proposed MOU, would be carried forward as the minimum staffing level. According to Ms. Villagomez, this is a new provision to codify the current staffing levels in the jails and the courts, partly as a result of the jails being under court-ordered staffing levels in the past.

In addition, a minimum staffing level for the Treasure Island Jail facility, which has not yet been finally set, would be added to the proposed MOU, after the Treasure Island facility has been in operation for six months. Ms. Villagomez assures the Budget Analyst that any changes to be added to the MOU to establish minimum staffing levels for the Treasure Island Jail would be subject to the approval by the Board of Supervisors. However, there is no such language in the MOU that specifies that the Board must approve such changes. The Budget Analyst questions whether the Board of Supervisors should be required to approve an MOU now without knowing the exact staffing levels that are to be added to the Treasure Island Jail facility and therefore without knowing the fiscal impact of this provision.

Professional Achievement/POST Premium

Under the proposed MOU, employees who possess an intermediate State Peace Officer Standards and Training (POST) certificate, will receive a premium of four percent of their base rate of pay. Employees who possess an advanced POST certificate will receive a six percent premium. Currently, employees with an intermediate or advanced POST certificate receive a flat \$40 or \$80 respectively, per pay period. Ms. Villagomez reports that the proposed change reflects comparable rates to those received by the uniformed personnel in the Police Department.

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According to Mr. Kieran Murphy of the Employees Retirement System, the proposed increased POST premiums would affect the pension calculations and therefore increase the cost of retirement for the Deputy Sheriffs employees. It should be noted that the proposed MOU does not contain any caps or limits on the amount of the POST premiums that can be added for calculating retirement pay. Mr. Murphy reports that although the Deputy Sheriff employees are not part of the City's Retirement System, they do belong to the State's PERS, for which the City must make contributions for these employees. According to Mr. Murphy, similar to the City, the State PERS is currently experiencing favorable investment results, such that it is anticipated that the City will not have to make any contribution for employees in the State PERS for the next fiscal year.

Salary Step Adjustments for 8302. Deputy Sheriff I

All 8302, Deputy Sheriff I employees, which is the entry cadet level, will after one year move to the salary step of an 8304, Deputy Sheriff, salary step 1 position. One year after achieving step 1, the 8302 Deputy Sheriff I employee will move to salary step 2 of the 8304 Deputy Sheriff classification, if the employee has not otherwise advanced to that position. Probationary and current requirements for the 8302 Deputy Sheriff I positions will be maintained at 18 months.

Ms. Villagomez reports that these salary step adjustments are proposed because after a year, (1) the 8302 Deputy Sheriff Is are generally performing similar functions that 8304 Deputy Sheriff employees perform and (2) most City employees advance to the next step in their classification after one year and the 8302 Deputy Sheriff I classification is a flat rate, which does not allow for such advancement. As a result, Ms. Villagomez reports that this provision will award like pay for like work and allow for such step advancement.

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However, the Budget Analyst questions whether this provision will further erode recommendations previously made by the Budget Analyst's Office in the City's FY 1994-95 budget, that were approved by the Board of Supervisors to achieve significant cost savings and efficiencies. The Budget Analyst recommended the creation of the new lower paid 8302 Deputy Sheriff I positions, which did not require the training and skills of a full Deputy Sheriff and which were designed to perform different administrative and other functions from the 8304 Deputy Sheriff employees. Under the original recommendation, the 8302 Deputy Sheriff I employees would only have been able to advance to the 8304 Deputy Sheriff classification, through attrition, or if a vacancy occurred for a 8304 Deputy Sheriff. That original recommendation was since eroded by the Sheriff's Department, which now permits all 8302 Deputy Sheriff I employees to become 8304 Deputy Sheriffs after 18 months, regardless of vacancies or functions performed. The proposed MOU provision further erodes any potential savings by enabling the 8302 Deputy Sheriff I employees to receive the higher 8304 Deputy Sheriff's pay after only 12 months, instead of 18 months. The Budget Analyst notes that the increase from the 8302 Deputy Sheriff I classification to the 8304 Deputy Sheriff classification results in approximately a 20 percent annual pay increase for these employees.

Sick Leave Accrual

The proposed MOU would eliminate the ability of employees accruing sick leave at an accelerated rate (twice the regular rate), which currently occurs after an employee returns from disability leave. Under the proposed MOU, employees returning from disability leave would instead accrue sick leave at the regular rate.

Unpaid Leave Benefits

The proposed MOU will extend the provisions that the City will cease payment of any and all

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contributions for employee health and dental benefits for those employees who remain on unpaid status, with the exception of Workers Compensation leave, Family Medical Leave Act leave, which is a Federal law that entitles employees to unpaid leave for medical reasons and/or the California Family Rights Act leave, which is a State law that entitles employees to unpaid leave for pregnancies, births or other family purposes in excess of 12 continuous weeks.

Ms. Vicki Clayton of the City Attorney's Office reports that the proposed exception was included because Federal and State laws prohibit the City from cutting off benefits for those employees who are on such approved leaves.

Comments:

1. In addition to the above-noted fiscal provisions, the proposed MOU also contains the following provisions that do not, in and of themselves, have fiscal impact: (a) various wording changes, including standardizing appropriate provisions of the former Salary Standardization Ordinance, (b) a provision requiring the Employee Relations Division to respond to written requests within ten days regarding compensatory time off for Z designated employees, (c) a provision addressing the Americans with Disabilities Act (ADA), (d) a modified grievance procedure, which expedites the process for bringing issues to resolution, (e) codifies the City's guidelines for making assignments for the return-to-work program in the Sheriff's Department and (f) a zipper clause, which closes the terms of the agreement to the specific provisions contained in the proposed MOU.

2. The Attachment contains the Controller's cost estimates for the proposed wage increases and associated fringe benefit increases, as well as the cost of the POST certification premium, other premium pay increases and the increase for the uniform allowance. As reflected in the Attachment, the Controller estimates increased additional costs of \$2,956,613 in FY 1998-99, \$5,307,255 in FY 1999-2000 and \$7,653,398 in FY 2000-01 as a

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result of the proposed MOU. Over the three-year term of the proposed Deputy Sheriffs' Association MOU, the Controller estimates additional cumulative costs of \$15,917,266 will result.

The Budget Analyst concurs with this estimate. However, the Budget Analyst notes that there are also other provisions in the proposed MOU, such as (1) minimum staffing requirements for the jails, courts and, after six months, the Treasure Island facility, (2) enabling provisional employees to receive step increases, (3) acting assignment pay, and (4) salary step adjustments for the 8302, Deputy Sheriff I classification, which could collectively significantly increase the City's costs. Based on discussions with the Controller's Office, the costs for these provisions cannot be estimated at this time.

3. Ms. Clayton reports that the arbitrator's decision is final and binding and the Board of Supervisors is required to approve the proposed ordinance, which would implement the provisions of the arbitrated settlement, unless there is a legal basis for a challenge.

Recommendation:

Although the City Attorney advises that the arbitrator's decision is final and binding, the Budget Analyst questions the inclusion of the following three major provisions in this MOU:

(1) Minimum Staffing Levels for the Treasure Island Jail facility, which have not yet been finally set, would be added to the proposed MOU, after the Treasure Island facility has been in operation for six months, which is subsequent to the approval of this MOU by the Board of Supervisors. The Budget Analyst questions whether the Board of Supervisors should be required to approve an MOU now, without knowing the exact staffing levels that are to be added to the Treasure Island Jail facility and therefore without knowing the fiscal impact of this provision. Ms. Villagomez assures the Budget Analyst that any changes to be added to the MOU to establish minimum staffing levels for the

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Treasure Island Jail would be subject to the approval by the Board of Supervisors. However, there is no such language in the MOU that specifies that the Board must approve such changes.

(2) Professional Achievement/POST Premium, which will convert the existing flat \$40 or \$80 per pay period POST Premium to be four percent or six percent of the employee's base pay. The proposed increased POST premiums would increase the cost of retirement for the Deputy Sheriffs employees without any caps or limits on the amount of the POST premiums that can be added for calculating retirement pay since the POST Premium will be based on a salary which typically increases each year.

(3) Salary Step Adjustments for 8302, Deputy Sheriff I to the salary step of an 8304, Deputy Sheriff, salary step 1 position after one year. After another year, the 8302 Deputy Sheriff I employee would move to step 2 of the 8304 Deputy Sheriff classification, if the employee has not otherwise advanced to that position. The Budget Analyst questions whether this provision will further erode strategies to achieve significant cost savings and efficiencies in the Sheriff's Department, that were approved by the Board of Supervisors in the FY 1994-95 budget.

Attachment A
 San Francisco Deputy Sheriff's Association
 Estimated Costs 1998-99 through 2000-01
 Controller's Office

<u>Annual Incremental Costs/(Savings)</u>	<u>FY 1998-99</u>	<u>FY 1999-00</u>	<u>FY 2000-01</u>
Wage Increases			
4.0% on 7/1/98 and 2.0% on 12/28/98	\$1,972,970		
3.0% on 7/1/99 and 2.0% on 12/25/99		\$2,092,926	
2.5% on 7/1/00 and 2.5% on 1/6/2001			\$2,088,887
Wage-Related Fringe Increases	224,327	237,966	237,506
POST Certification Change	388,639		
Premium Pay Increase	350,928		
Uniform Allowance Increase	19,750	19,750	19,750
Total Estimated Incremental Costs	<u>2,956,613</u>	<u>2,350,642</u>	<u>2,346,143</u>
Annual Amount Above 1997-98 Level	2,956,613	5,307,255	7,653,398
Cumulative Total Above 1997-98 Provisions			\$15,917,266
Incremental Cost % of Salary Base	7.49%	5.62%	5.33%

Item 3 - File 98-952

Department: Department of Human Resources (DHR)

Item: Ordinance implementing the provisions of an arbitrated award for a Memorandum of Understanding (MOU) between the International Federation of Professional and Technical Engineers, AFL-CIO, Local 21, and the City and County of San Francisco for the period July 1, 1998 through June 30, 2001.

Description: In June of 1995, the Board of Supervisors approved an MOU with the International Federation of Professional and Technical Engineers, Local 21 for the three-year period from July 1, 1995 through June 30, 1998. The proposed ordinance would implement the provisions of an arbitration award for a MOU with Local 21 for another three-year period from July 1, 1998 through June 30, 2001.

An arbitration award was required because the International Federation of Professional and Technical Engineers, Local 21 and the City representatives could not reach agreement on the provisions of the subject MOU.

The International Federation of Professional and Technical Engineers, Local 21 covers 304 classifications for a total of approximately 3,200 employees. A listing of the 304 classifications are contained in Attachment 1.

In addition to extending the period of time through June 20, 2001, the fiscal provisions included in the proposed MOU are as follows:

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Wage Increases

<u>Effective Date</u>	<u>Percent Increase</u>
July 1, 1998	2.0%
December 26, 1998	1.5
July 1, 1999	2.0
December 25, 1999	1.5
July 1, 2000	2.0
January 6, 2001	<u>1.5</u>
Total	10.5%

Other Fiscal Changes of MOU

The other major fiscal provisions are summarized in Attachment 2, which was prepared by DHR.

Comments:

1. The Budget Analyst did not have sufficient time to conduct a comprehensive review of this proposed MOU, due to the Budget Analyst's need to currently focus our efforts on the review of the FY 1998-99 budget.
2. As of the writing of this report, the Controller's Office has not completed a final cost estimate of the proposed MOU.
3. Ms. Vicki Clayton of the City Attorney's Office reports that the arbitrator's decision is final and binding and the Board of Supervisors is required to approve the proposed ordinance, which would implement the provisions of the arbitrated settlement, unless there is a legal basis for a challenge.

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Appendix A

IFPTE, Local 21 Represented Classifications

Unit	Class	Title
8 Z	1002	IS OPERATOR-JOURNEY
8 Z	1003	IS OPERATOR-SENIOR
8 Z	1004	IS OPERATOR-ANALYST
11 O	1005	IS OPERATOR-SUPERVISOR
8 Z	1011	IS TECHNICIAN-ASSISTANT
8 Z	1012	IS TECHNICIAN-JOURNEY
8 Z	1013	IS TECHNICIAN-SENIOR
11 O	1014	IS TECHNICIAN-SUPERVISOR
8 Y	1021	IS ADMINISTRATOR I
8 Y	1022	IS ADMINISTRATOR II
8 Y	1023	IS ADMINISTRATOR III
11 N	1024	IS ADMINISTRATOR-SUPERVISOR
8 Y	1031	IS TRAINER-ASSISTANT
8 Y	1032	IS TRAINER-JOURNEY
8 Y	1033	IS TRAINER-SENIOR
8 Y	1041	IS ENGINEER-ASSISTANT
8 Y	1042	IS ENGINEER-JOURNEY
8 Y	1043	IS ENGINEER-SENIOR
8 Y	1044	IS ENGINEER-PRINCIPAL
8 Y	1051	IS BUSINESS ANALYST-ASSISTANT
8 Y	1052	IS BUSINESS ANALYST
8 Y	1053	IS BUSINESS ANALYST-SENIOR
8 Y	1054	IS BUSINESS ANALYST-PRINCIPAL
8 Y	1061	IS PROGRAM ANALYST-ASSISTANT
8 Y	1062	IS PROGRAMMER ANALYST
8 Y	1063	IS PROGRAMMER ANALYST-SENIOR
8 Y	1064	IS PROGRAMMER ANALYST-PRINCIPAL
11 N	1070	IS PROJECT DIRECTOR
8 R	1232	TRAINING OFFICER
8 R	1312	PUBLIC INFORMATION OFFICER
8 R	1314	PUBLIC RELATIONS OFFICER
4 D	1360	SPECIAL ASSISTANT I
4 D	1361	SPECIAL ASSISTANT II
4 D	1362	SPECIAL ASSISTANT III
4 D	1363	SPECIAL ASSISTANT IV
4 D	1364	SPECIAL ASSISTANT V
8 I	1365	SPECIAL ASSISTANT VI
8 I	1366	SPECIAL ASSISTANT VII
8 I	1367	SPECIAL ASSISTANT VIII
8 I	1368	SPECIAL ASSISTANT IX
11 G	1369	SPECIAL ASSISTANT X
11 G	1370	SPECIAL ASSISTANT XI
11 G	1371	SPECIAL ASSISTANT XII

MEMORANDUM OF UNDERSTANDING, FY 1998-2001
CITY AND COUNTY OF SAN FRANCISCO AND
IFPTE, LOCAL 21

Appendix A

IFPTE, Local 21 Represented Classifications

Unit	Class	Title
8 J	1650	ACCOUNTANT
8 J	1652	SENIOR ACCOUNTANT
11 A	1654	PRINCIPAL ACCOUNTANT
8 J	1655	SYSTEMS ACCOUNTANT
11 A	1656	HEAD ACCOUNTANT
8 J	1657	SENIOR SYSTEMS ACCOUNTANT
11 A	1659	CHIEF SYSTEMS ACCOUNTANT
11 A	1671	FINANCIAL SYSTEMS OPERATIONS SUPERVISOR
8 J	1684	ASSOCIATE AUDITOR
11 A	1686	SUPERVISING AUDITOR
8 Z	1734	COMPUTER OPERATOR I
8 Z	1736	COMPUTER OPERATOR II
8 Z	1737	SENIOR COMPUTER OPERATOR
11 O	1738	COMPUTER OPERATIONS SHIFT SUPERVISOR
11 O	1739	COMPUTER OPERATIONS SUPERVISOR II
11 O	1741	COMPUTER OPERATIONS SUPERVISOR I
8 J	1804	STATISTICIAN
8 J	1805	ASSOCIATE PERFORMANCE AUDITOR
8 J	1806	SENIOR STATISTICIAN
8 Y	1807	MANAGEMENT INFORMATION SYSTEMS TECHNICIAN II
8 Y	1808	MANAGEMENT INFORMATION SYSTEM TECHNICIAN I
8 Y	1811	MANAGEMENT INFORMATION SYSTEMS SPECIALIST I
8 Y	1818	MANAGEMENT INFORMATION SYSTEMS SPECIALIST II
11 N	1819	MANAGEMENT INFORMATION SYSTEMS SPECIALIST III
8 J	1823	SENIOR ADMINISTRATIVE ANALYST
11 A	1824	PRINCIPAL ADMINISTRATIVE ANALYST
11 A	1827	ADMINISTRATIVE SERVICES MANAGER
11 O	1860	COMPUTER OPERATIONS SUPPORT SUPERVISOR
8 Y	1862	SYSTEMS AND PROCEDURES ANALYST
11 N	1863	SENIOR SYSTEMS AND PROCEDURES ANALYST, SPECIAL PROJECT
11 N	1864	SENIOR SYSTEMS AND PROCEDURES ANALYST
11 N	1866	SYSTEMS AND PROCEDURES SUPERVISOR
8 Z	1868	TELEPROCESSING TECHNICIAN
8 Y	1871	ASSISTANT SYSTEMS PROGRAMMER
8 Y	1872	PROGRAMMER ANALYST
8 Y	1873	SYSTEMS PROGRAMMER
8 Y	1874	SENIOR PROGRAMMER ANALYST
8 Y	1875	SENIOR SYSTEMS PROGRAMMER
11 N	1876	DATA PROCESSING PROGRAMMING AND SYSTEMS SUPERVISOR
11 N	1877	SUPERVISING SYSTEMS PROGRAMMER
8 J	1944	MATERIALS COORDINATOR
8 J	1950	ASSISTANT PURCHASER
8 J	1952	PURCHASER

MEMORANDUM OF UNDERSTANDING, FY 1996-2001
CITY AND COUNTY OF SAN FRANCISCO AND
IFPTE, LOCAL 21

Appendix A

IFPTE, Local 21 Represented Classifications

Unit	Class	Title
8 J	1956	SENIOR PURCHASER
11 A	1958	SUPERVISING PURCHASER
8 R	2119	HEALTH CARE ANALYST
8 T	2218	PHYSICIAN ASSISTANT
8 L	2403	FORENSIC LABORATORY TECHNICIAN
8 L	2456	ASSISTANT FORENSIC TOXICOLOGIST I
8 L	2457	ASSISTANT FORENSIC TOXICOLOGIST II
8 L	2458	FORENSIC TOXICOLOGIST
8 L	2471	WATER QUALITY CHEMIST
8 L	2472	SENIOR WATER CHEMIST
8 L	2473	MARINE BIOLOGIST
8 L	2474	SENIOR MARINE BIOLOGIST
8 L	2478	SENIOR SEWAGE TREATMENT CHEMIST
11 R	2480	SUPERVISOR OF LABORATORIES, WATER QUALITY CONTROL
8 T	2538	AUDIOMETRIST
8 T	2540	AUDIOLOGIST
8 T	2542	SPEECH PATHOLOGIST
8 T	2548	OCCUPATIONAL THERAPIST
11 R	2550	SENIOR OCCUPATIONAL THERAPIST
8 T	2551	MENTAL HEALTH TREATMENT SPECIALIST
8 T	2555	PHYSICAL THERAPIST ASSISTANT
8 T	2556	PHYSICAL THERAPIST
11 R	2558	SENIOR PHYSICAL THERAPIST
8 T	2566	REHABILITATION COUNSELOR
11 R	2589	HEALTH PROGRAM COORDINATOR I
11 R	2591	HEALTH PROGRAM COORDINATOR II
11 R	2593	HEALTH PROGRAM COORDINATOR III
8 R	2594	EMPLOYEE ASSISTANCE COUNSELOR
8 R	2595	SENIOR EMPLOYEE ASSISTANCE COUNSELOR
8 L	2802	EPIDEMIOLOGIST I
8 L	2803	EPIDEMIOLOGIST II
8 R	2819	ASSISTANT HEALTH EDUCATOR
8 R	2822	HEALTH EDUCATOR
8 R	2823	MENTAL HEALTH EDUCATOR
11 R	2825	SENIOR HEALTH EDUCATOR
8 T	2846	NUTRITIONIST
11 R	2924	MEDICAL SOCIAL WORK SUPERVISOR
11 A	2982	RENT BOARD SUPERVISOR
8 J	2992	CONTRACT COMPLIANCE OFFICER I
8 R	3374	VOLUNTEER COORDINATOR, ANIMAL CARE AND CONTROL
8 J	4140	REAL PROPERTY OFFICER
11 A	4142	SENIOR REAL PROPERTY OFFICER
11 A	4143	PRINCIPAL REAL PROPERTY OFFICER

MEMORANDUM OF UNDERSTANDING, FY 1998-2001
CITY AND COUNTY OF SAN FRANCISCO AND
IFPTE, LOCAL 21

Appendix A

IFPTE, Local 21 Represented Classifications

Unit	Class	Title
8 J	4220	PERSONAL PROPERTY AUDITOR
11 A	4222	SENIOR PERSONAL PROPERTY AUDITOR
11 A	4224	PRINCIPAL PERSONAL PROPERTY AUDITOR
8 J	4230	ESTATE INVESTIGATOR
11 A	4231	SENIOR ESTATE INVESTIGATOR
8 J	4260	REAL PROPERTY APPRAISER TRAINEE
8 J	4261	REAL PROPERTY APPRAISER
8 J	4265	SENIOR REAL PROPERTY APPRAISER
11 A	4267	PRINCIPAL REAL PROPERTY APPRAISER
11 A	4268	ASSISTANT CHIEF REAL PROPERTY APPRAISER
8 U	5120	ARCHITECTURAL ADMINISTRATOR
11 F	5130	SEWAGE TREATMENT PLANT SUPERINTENDENT
11 J	5174	ADMINISTRATIVE ENGINEER
8 M	5177	SAFETY OFFICER
8 M	5202	JUNIOR CIVIL ENGINEER
8 M	5204	ASSISTANT CIVIL ENGINEER
11 F	5205	ASSOCIATE MATERIALS ENGINEER
11 F	5206	ASSOCIATE CIVIL ENGINEER
11 F	5208	CIVIL ENGINEER
11 F	5209	INDUSTRIAL ENGINEER
11 F	5210	SENIOR CIVIL ENGINEER
11 J	5214	BUILDING PLANS ENGINEER
8 M	5215	FIRE PROTECTION ENGINEER
11 F	5216	CHIEF SURVEYOR
11 K	5217	BUILDING CODE ANALYST
11 F	5218	STRUCTURAL ENGINEER
11 F	5219	SENIOR STRUCTURAL ENGINEER
8 M	5220	JUNIOR WATER PURIFICATION ENGINEER
8 M	5222	ASSISTANT WATER PURIFICATION ENGINEER
11 F	5224	ASSOCIATE WATER PURIFICATION ENGINEER
8 M	5227	JUNIOR TRANSPORTATION ENGINEER
8 M	5228	ASSISTANT TRANSPORTATION ENGINEER
11 F	5229	ASSOCIATE TRANSPORTATION ENGINEER
11 F	5230	TRANSPORTATION ENGINEER
11 F	5232	SENIOR TRANSPORTATION ENGINEER
8 M	5234	JUNIOR ELECTRICAL ENGINEER
8 M	5236	ASSISTANT ELECTRICAL ENGINEER
11 F	5238	ASSOCIATE ELECTRICAL ENGINEER
11 F	5240	ELECTRICAL ENGINEER
11 F	5242	SENIOR ELECTRICAL ENGINEER
11 F	5247	ASSOCIATE SANITARY ENGINEER
11 F	5248	SANITARY ENGINEER
11 F	5249	SENIOR SANITARY ENGINEER

MEMORANDUM OF UNDERSTANDING, FY 1998-2001
CITY AND COUNTY OF SAN FRANCISCO AND
IFPTE, LOCAL 21

Appendix A

IFPTE, Local 21 Represented Classifications

Unit	Class	Title
8 M	5250	JUNIOR MECHANICAL ENGINEER
8 M	5252	ASSISTANT MECHANICAL ENGINEER
11 F	5254	ASSOCIATE MECHANICAL ENGINEER
11 F	5256	MECHANICAL ENGINEER
11 F	5258	SENIOR MECHANICAL ENGINEER
8 V	5260	ARCHITECTURAL ASSISTANT I
8 V	5261	ARCHITECTURAL ASSISTANT II
8 N	5262	JUNIOR LANDSCAPE ARCHITECT
11 P	5263	PLANNER V
8 V	5265	ARCHITECTURAL ASSOCIATE I
8 U	5266	ARCHITECTURAL ASSOCIATE II
11 K	5268	ARCHITECT
11 K	5270	SENIOR ARCHITECT
8 N	5272	ASSISTANT LANDSCAPE ARCHITECT
11 K	5273	PRINCIPAL ARCHITECT
11 E	5274	LANDSCAPE ARCHITECT
11 E	5275	SENIOR LANDSCAPE ARCHITECT
8 JJ	5276	CITY PLANNING INTERN
8 JJ	5277	PLANNER I
8 JJ	5278	PLANNER II
11 P	5281	PLANNER III - ADMINISTRATIVE
11 P	5282	PLANNER IV
11 P	5283	PLANNER V
8 JJ	5288	TRANSIT PLANNER II
11 P	5289	TRANSIT PLANNER III
11 P	5290	TRANSIT PLANNER IV
11 P	5291	PLANNER III
11 P	5293	PLANNER IV
11 P	5294	PLANNER IV (ZONING)
11 P	5296	PLANNER IV, URBAN SYSTEMS ANALYST
11 P	5297	PLANNER V (ZONING)
11 P	5298	PLANNER III-ENVIRONMENTAL REVIEW
11 P	5299	PLANNER IV-ENVIRONMENTAL REVIEW
10	5301	SUPERVISOR, TRAFFIC PAINTING PROGRAM
10	5302	TRAFFIC SURVEY TECHNICIAN
10	5303	SUPERVISOR, TRAFFIC AND STREET SIGNS
10	5304	MATERIALS TESTING AIDE
10	5305	MATERIALS TESTING TECHNICIAN
10	5310	SURVEYOR'S FIELD ASSISTANT
10	5312	SURVEYOR
10	5314	SURVEY PARTY CHIEF
8 M	5320	ILLUSTRATOR AND ART DESIGNER
10	5328	CITY PLANNING GRAPHICS AIDE

MEMORANDUM OF UNDERSTANDING, FY 1998-2001
CITY AND COUNTY OF SAN FRANCISCO AND
IFPTE, LOCAL 21

Appendix A

IFPTE, Local 21 Represented Classifications

Unit	Class	Title
10	5330	CITY PLANNING GRAPHICS SUPERVISOR
10	5342	MECHANICAL ENGINEERING ASSISTANT I
10	5344	MECHANICAL ENGINEERING ASSISTANT II
10	5346	MECHANICAL ENGINEERING ASSOCIATE I
10	5350	ELECTRICAL ENGINEERING ASSISTANT I
10	5352	ELECTRICAL ENGINEERING ASSISTANT II
10	5354	ELECTRICAL ENGINEERING ASSOCIATE I
10	5360	CIVIL ENGINEERING ASSISTANT I
10	5362	CIVIL ENGINEERING ASSISTANT II
10	5364	CIVIL ENGINEERING ASSOCIATE I
10	5369	ENGINEERING ASSOCIATE II
10	5380	STUDENT DESIGN TRAINEE I, ARCH, ENGR, & PLANNING
10	5381	STUDENT DESIGN TRAINEE II, ARCH, ENGR, & PLANNING
10	5382	STUDENT DESIGN TRAINEE III, ARCH, ENGR, & PLANNING
10	5604	ASSISTANT ENERGY SPECIALIST
10	5606	ENERGY SPECIALIST
11 F	5608	SENIOR ENERGY SPECIALIST
8 M	5620	REGULATORY SPECIALIST
8 M	5631	WATER & POWER ANALYST II
11 F	5633	WATER & POWER SPECIALIST
10	6106	SANITARY ENGINEERING TECHNICIAN
10	6115	WASTEWATER CONTROL INSPECTOR
10	6116	SUPERVISING WASTEWATER CONTROL INSPECTOR
8 M	6130	SAFETY ANALYST
8 M	6137	ASSISTANT INDUSTRIAL HYGIENIST
8 M	6138	INDUSTRIAL HYGIENIST
10	6230	STREET INSPECTOR
10	6231	SENIOR STREET INSPECTOR
10	6232	STREET INSPECTION SUPERVISOR
10	6262	PLAN CHECKER - ARCHITECTURAL
10	6266	SENIOR PLAN CHECKER
8 S	6270	HOUSING INSPECTOR
11 H	6272	SENIOR HOUSING INSPECTOR
11 H	6274	CHIEF HOUSING INSPECTOR
8 S	6281	FIRE SAFETY INSPECTOR II
10	6318	CONSTRUCTION INSPECTOR
8 S	6335	DISABILITY ACCESS COORDINATOR
10	7132	TELECOMMUNICATION SUPERVISOR
10	7336	ELECTRONIC INSTRUMENTATION TECHNICIAN, WATER POLLUTION CONTRCL
10	7366	ELECTRONIC CONTROL SYSTEMS TECHNICIAN
1 JJ	7457	TRAFFIC AND STREET SIGN MAINTENANCE WORKER
8 F	8173	LEGAL ASSISTANT
11 R	8240	POLICE COMMUNICATIONS SHIFT SUPERVISOR

MEMORANDUM OF UNDERSTANDING, FY 1998-2001
CITY AND COUNTY OF SAN FRANCISCO AND
IFPTE, LOCAL 21

Appendix A

IFPTE, Local 21 Represented Classifications

Unit	Class	Title
8 L	8260	CRIMINALIST
11 R	8262	SENIOR CRIMINALIST
8 L	8264	FORENSIC DOCUMENT EXAMINER
11 F	9195	LIGHT RAIL VEHICLE EQUIPMENT ENGINEER
11 F	9196	SENIOR LIGHT RAIL VEHICLE EQUIPMENT ENGINEER
11 F	9197	SIGNAL AND SYSTEMS ENGINEER
8 J	9206	AIRPORT PROPERTY SPECIALIST I
11 A	9207	AIRPORT PROPERTY SPECIALIST II
11 A	9255	AIRPORT ECONOMIC PLANNER
8 J	9376	MARKET RESEARCH SPECIALISTS, PORT
8 J	9377	FEASIBILITY ANALYST, PORT
8 J	9389	PORT TRAFFIC ANALYST
8 J	9393	CARGO SALES AND MARKETING REPRESENTATIVE
8 J	9395	ASSISTANT RENTAL MANAGER, PORT

Appendix A

San Francisco Association of Personnel Professionals (SFAPP)
Represented Classifications

Class	Title
1203	PERSONNEL TECHNICIAN
1231	ASST. MGR., EQUAL EMPLOYMENT OPPORTUNITY PROGRAMS
1233	EQUAL EMPLOYMENT OPPORTUNITY PROGRAMS SPECIALIST
1241	PERSONNEL ANALYST
1244	SENIOR PERSONNEL ANALYST
1246	PRINCIPAL PERSONNEL ANALYST
1452	EXECUTIVE SECRETARY II
1453	PRINCIPAL STENOGRAPHER, MAYOR'S OFFICE
1454	EXECUTIVE SECRETARY III
1492	ASSISTANT CLERK, BOARD OF SUPERVISORS
1506	CONFIDENTIAL SECRETARY TO SHERIFF
1512	CONFIDENTIAL SECRETARY AND EXECUTIVE ASSISTANT TO PUBLIC DEFENDER
1518	CONFIDENTIAL SECRETARY TO ASSESSOR
1520	CONFIDENTIAL SECRETARY TO DISTRICT ATTORNEY
1522	CONFIDENTIAL SECRETARY TO CITY ATTORNEY
1530	ADMINISTRATIVE SECRETARY TO THE MAYOR
1544	SECRETARY, LIBRARY COMMISSION
1546	SECRETARY, COMMISSION ON THE AGING
1548	SECRETARY, SOCIAL SERVICES COMMISSION
1549	SECRETARY, JUVENILE PROBATION COMMISSION
1551	SECRETARY, HEALTH COMMISSION
1555	SECRETARY, BUILDING INSPECTION COMMISSION
1574	EXECUTIVE SECRETARY TO THE CONTROLLER
1835	LEGISLATIVE ASSISTANT
1838	ADMINISTRATIVE ASST TO THE EXEC DIRECTOR, HEALTH SERVICE SYSTEM
3566	EXECUTIVE SECRETARY, MUSEUMS
6116	LEGISLATIVE CALENDAR CLERK
6118	LEGISLATION CLERK
6130	ADMINISTRATIVE ASSISTANT, DISTRICT ATTORNEYS OFFICE
6151	CLAIMS INVESTIGATOR, CITY ATTORNEYS OFFICE
6152	SENIOR CLAIMS INVESTIGATOR, CITY ATTORNEY'S OFFICE
6169	LEGISLATIVE ASSISTANT, CITY ATTORNEY'S OFFICE
9276	SECRETARY, AIRPORTS COMMISSION

MEMORANDUM OF UNDERSTANDING, FY 1998-2001
CITY AND COUNTY OF SAN FRANCISCO AND
IFPTE, LOCAL 21

IFPTE, LOCAL 21
COLLECTIVE BARGAINING AGREEMENT
SUMMARY OF ECONOMIC TERMS

ARTICLE	DESCRIPTION
II.H. Travel Reimbursement	<ul style="list-style-type: none">• Home Health Care Rehabilitation Professionals in classes 2542, 2548, 2550, 2555, 2556, 2558 are to receive \$40 per month auto allowance;• Class 6218 to receive \$40 auto allowance and IRS mileage reimbursement if no City car available.
II.K. Out-of-Area Audits - Personal Property Audits	<ul style="list-style-type: none">• Status quo; personal property auditors shall receive \$20 per day for miscellaneous expenses while performing audits outside the nine Bay Area counties.
III.A. Wages	<ul style="list-style-type: none">• <u>General wage increase</u>: 3.5% each year (2% in July, 1.5% in December);• <u>Rounding down</u>: status quo
III.B. Additional Compensation	<ul style="list-style-type: none">• <u>Planners</u>: Planners I-V and Transit Planners I-V receive 5% on 7/1/98• <u>Criminalists</u>: 8260, 8262, 8264 receive 5% on 7/1/98• <u>Estate Investigators</u>: 4230, 4231 receive 3% on 7/1/98, 3% on 7/1/99, 3% on 6/30/2000• <u>Surveyors</u>: 5310, 5312, 5314 receive 1% on 7/1/98• <u>Personnel Technicians</u>: 1203 receives 3.25% on 7/1/98• <u>Physical Therapy Assistants</u>: 2555 receives 4.25% on 7/1/98• <u>Medical Social Work Supervisors</u>: 2924 receives 1.75% on 7/1/98• <u>Accountants</u>: 1650 receive 5% on 7/1/98; 1657 and 1686 receive 2.5% on 7/1/98• <u>Technical Engineers</u>: 5342, 5344, 5350, 5352, 5360, 5362, 5364, 5366 receive 1% on 7/1/98; salaries of 5342/5350 and 5360 adjusted to Engineering Assistant II rates• <u>Rehabilitation Professionals</u>: additional salary step established for 2538, 2540, 2542, 2548, 2550, 2556, 2558 who have been at top step at least five years• <u>Mental Health Treatment Specialist</u>: 2551 placed at 7% above Physical Therapy Assistant class (2555)• <u>Personnel Analyst Series</u>: 1241, 1244, 1246

receive 1% on 7/1/98

- Physician Assistants: 2218 receive same salary as Nurse Practitioner (class 2328)
- Forensic Toxicologists:
 - Establish wage relationship of 2456 (Asst. Forensic Tox. I) with (equal to) 8260 (Criminalist) effective 7/1/98;
 - Establish wage relationship of 245 (Asst. Forensic Tox. II) with (equal to) 8262 (Senior Criminalist) effective 7/1/98;
 - Establish wage relationship of 2403 (Forensic Laboratory tech.) with (equal to) 2456 (Asst. Forensic Tox. I) effective 7/1/98.
- Airport Property Specialists: 9206 receive wage increase of 6.25% effective 7/1/98
- Statistician Study: wage study for classes 1804 and 1806 no later than 9/30/98
- IT Employees at Sub-Steps: IT employees at sub-steps will be placed at step one on 7/1/98
- Acting Assignment Pay: limited to the closest salary step of the higher class which is no more than 5% above the employee's base salary.
- Acting Assignment Pay for Water Quality Chemists: water quality chemists must work for at least 20 consecutive days as Senior Chemists to receive acting assignment pay
- Supervisory Differential: Eliminate supervisory differential for supervision of employee in same class unless classification has no promotive, supervisory class.
- Lead Person Pay: \$5.00 per day premium
- Supervisory Differential for 2924 Medical Social Work Sup.: 5% supervisory differential when 2924 is in charge of subordinates whose compensation is less than 5% below that of class 2924.
- Standby Pay: with beeper: 10% of base pay; without beeper: 25% of base pay
- Shift Differential:
 - 8% premium per hour for actual hours worked between 5:00 p.m. and 7:00 a.m.
 - Following classes continue to receive \$2.25 and \$2.90 shift differential if they received it in May, 1998: 1002-1005, 1011-1014, 1734-1741, 1860, 7336, 7366
- County Surveyor Premium: 5% premium when

- assigned as County Surveyor
- License premium for engineers, architects and landscape architects: status quo; civil/structural engineers who have structural engineer's license and who are assigned structural engineering work receive a premium of two steps in addition to current rate of pay.
- III.E. Seniority Increments**
- Provisional employees shall be advanced to step s/he would have achieved had s/he been permanent from first day of employment in class
- III.K. Compensatory Time Off**
- Employees shall request CTO with 3-6 months after accruing 160 hours;
 - CTO cannot be cashed-out. **Exceptions to normal work schedules for which no extra compensation is authorized may be granted in accordance with section 1.3 of the Annual Salary Ordinance.**
- III.M. Provisional Employees**
- Provisional employees shall be treated as permanent employees re health and welfare (after 1040 hours), compensation and salary steps, seniority, retirement (after 1040 hours in any 12 month period) and leave benefits, including but not limited to sick leave, vacation and personal leave.
- III.N. Per Diem Rehabilitation Professionals**
- Per diems shall be paid at step 5 wage rate.
 - If hired as regularly scheduled position, s/he shall be paid at step 3 wage rate or higher.
 - If hired as permanent or provisional civil service position, s/he shall receive all benefits granted to permanent employee, except health and retirement benefits which shall accrue after 1040 hours, and "just cause" which will be available upon completion of probationary period.
- III.O. Health and Welfare**
- Dependent health care: status quo of \$225 per month.
 - If dependent care cost increases, pick up will be 75% of cost of Kaiser's dependent care costs for employee plus two ore more dependents category.
- III.T. Long Term Disability**
- Employees with 6 months continuous service shall receive a LTD plan that provides, after a 180 day elimination period, 60% salary up to age 65 (effective 7/1/98).
- III.V. Sick Leave**
- Employees shall be entitled to accumulate all unused sick leave.
- III.W. Parental Release Time**
- Employees shall receive 2 hours of paid leave each semester; up to 40 hours of parental leave per year.

- IV.B. Tuition Reimbursement • \$50,000 per year
- IV.D. Professional Association Meetings • Status quo: reimbursement of expenses related to attended by employees at professional association meetings, conferences, classes, courses, seminars and other programs.
- IV.F. Educational Programs • Paid educational leave: Status quo; represented employees shall be on paid status when attending educational programs required to maintain a job-related state license.

Item 4 – File 98-818

Note: This item was continued by the Finance Committee at its meeting of June 10, 1998.

Department: California Academy of Sciences

Item: Resolution determining and declaring that the public interest and necessity demand the acquisition, rehabilitation, renovation, improvement, construction or reconstruction by the City and County of San Francisco of the California Academy of Sciences, and all other works, property and structures necessary or convenient for the foregoing purposes, that the estimated cost of \$79,880,000 for the publicly-funded portion of the project is and will be too great to be paid out of the ordinary annual income and revenue of the City and County and will require the incurring of bonded indebtedness, and finding that the proposed project is in conformity with the priority policies of the Planning Code Section 101.1(b) and with the General Plan consistency requirement of Administrative Code Section 2A.53.

Description: The State General Obligation Bond Law requires that, in order for the City to issue General Obligation Bonds, a resolution of public convenience and necessity must first be adopted by a two-thirds vote of the Board of Supervisors, and the proposed bonds must then be approved by two-thirds of the electorate.

Financing for a renovated and expanded 414,503 square foot Academy of Sciences facility (the existing facility is 378,443 square feet) at an estimated total cost of \$129,432,000 would be funded (a) by \$79,880,000 in General Obligation Bonds to be authorized by the electorate and (b) private financing in the amount of \$49,552,000 to be raised by the California Academy of Sciences Trustees under a public/private partnership between the City and the California Academy of Sciences Trustees. The Academy facility would be renovated and expanded at the same Golden Gate Park location.

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Budget: A summary budget for the \$79,880,000 estimated project budget for the publicly funded General Obligation Bond portion of the new California Academy of Sciences is as follows:

General Construction	\$62,606,000
Hazardous Materials Mitigation	1,000,000
Fees and Permits	13,022,000
Relocation	1,050,000
Telecommunications/Security	950,000
Art Enrichment	<u>1,252,000</u>
Total Project Budget	\$79,880,000

The Attachment to this report is a budget, provided by the California Academy of Sciences, showing the \$79,880,000 to be publicly funded with General Obligation Bonds, and the \$49,552,000 to be funded from private sources, for a total project cost of \$129,432,000.

Comments: 1. According to Ms. Carolyn Macmillan of the California Academy of Sciences, the proposed General Obligation Bond measure in the amount of \$79,880,000, which would fund approximately 62 percent of the renovation and expansion of the Academy, will be on the November 1998 ballot, subject to approval of this resolution by the Board of Supervisors.

2. According to Ms. Sarah Hollenbeck of the Mayor's Office of Public Finance, the City Charter provides for a legal debt limit of 3 percent of net assessed property value. The Mayor's Office of Public Finance has calculated the City's Debt Limit Ratio as follows:

Total Debt Limit at 7/1/98	\$1,757,867,490
Outstanding General Obligation Bonds at 1/1/98	<u>839,865,000</u>
Remaining General Obligation Capacity	\$918,002,490

If the subject bond issue of \$79,880,000 proposed for the November 1998 ballot were to be approved by voters, the remaining General Obligation bonding capacity would be \$838,122,490. However, the amount of debt that could be

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issued in any given year is partly a function of the level of payments on existing debt, which fluctuates as older bond issues are retired and new bonds are issued.

3. According to Ms. Monique Moyer of the Mayor's Office of Public Finance, assuming the bonds are issued in an interest environment which reflects the norms for the past ten years, the Academy bonds would bear a true interest cost of 5.81 percent. Upon issuance of the entire \$79,880,000, average annual debt service would be approximately \$7,185,783 and total debt service would be \$136,744,354 for the proposed 20 year bond period.

Ms. Moyer reports that if the bonds were issued at this time, the true interest cost would be approximately 5.29 percent, average annual debt service would be approximately \$6,531,608, and total debt service would be \$130,341,865 for the proposed 20 year bond period.

4. According to Mr. John Madden of the Controller's Office, if \$79,880,000 in bonds were to be issued, the bonds would result in an increase in the Property Tax rate of approximately \$0.0127 per \$100 of assessed value. At this rate, the owner of a single family residence assessed at \$400,000 would pay \$49.97 in additional annual Property Taxes beginning in FY1999-2000.

Recommendation: Approval of the proposed resolution is a policy matter for the Board of Supervisors.

Proposed Public Project Budget
Seismic Renovation and Code Compliance

General Construction Cost in Thousands	Bond Funded Cost	Other Funded Cost	Total Cost
1.0 Earthwork and Demolition	\$2,093	\$0	\$2,093
2.0 Building Shell			
Foundations	\$584	\$0	\$584
Substructure	4,651	0	4,651
Superstructure	8,738	0	8,738
Architectural Finishes	7,801	0	7,801
Mechanical Systems	5,408	0	5,408
Electrical Systems	3,016	0	3,016
Site Utilities	150	0	150
Total 2.0 Building Shell	\$30,349	\$0	\$30,349
3.0 Special Finishes			
Tank Protective Coatings	\$63	\$0	\$63
Acrylic Viewing Windows	0	0	0
Total 3.0 Special Finishes	\$63	\$0	\$63
4.0 Specialized Equipment			
Life Support Systems	\$280	\$0	\$280
Hoists	0	0	0
Group 1 Equipment	1,875	0	1,875
Total 4.0 Specialized Equipment	\$2,155	\$0	\$2,155
5.0 Sitework			
Service/Corporation Yard Repairs	\$728	\$0	\$728
Terraces and Entries	692	0	692
Sitework Repairs	400	0	400
Total 5.0 Sitework	\$1,820	\$0	\$1,820
Subtotal	\$36,480	\$0	\$36,480
General Conditions	4,195	0	4,195
Contractor's Overhead & Profit	1,627	0	1,627
Subtotal	\$42,302	\$0	\$42,302
6.0 Exhibitory	\$0	\$22,067	\$22,067
Subtotal	\$42,302	\$22,067	\$64,369
Scope Development Contingency	4,230	2,207	6,437
Subtotal	\$46,532	\$24,274	\$70,806
Construction Contingency	4,653	2,427	7,081
Escalation	11,421	5,860	\$17,280
Total Construction Cost in Thousands	\$62,606	\$32,561	\$95,167

Project Cost in Thousands	Bond Funded Cost	Other Funded Cost	Total Cost
Total Construction Cost in Thousands (from Page 1)	\$62,606	\$32,561	\$95,167
Other Project Costs in Thousands			
7.0 Hazardous Materials Mitigation Cost	\$1,000	\$0	\$1,000
8.0 Permits & Fees			
Review of Existing EIR	\$160	\$0	\$160
Professional Design Fees	7,513	0	7,513
Exhibit/FF&E Design Fees	0	7,918	7,918
Project & Construction Management Fees	0	4,623	4,623
Civil & Geotechnical Engineering	170	100	270
Hazmat Mitigation Design Fees	35	0	35
Security & MIS Consultants	50	0	50
Permits & Plan Check Fees	800	0	800
Inspections & Testing	1,000	0	1,000
Owner's Insurance & Performance Bonds	814	0	814
Utility Fees	250	0	250
City Agency Fees	600	0	600
Bond Legal & Financing	1,630	0	1,630
General Project Legal Fees	0	250	250
Inhouse Facilities Engineering	0	50	50
Subtotal 8.0 Permits & Fees	\$13,022	\$12,941	\$25,963
9.0 Temporary Relocation & Moving	\$1,050	\$0	\$1,050
10.0 FF&E	\$0	\$4,000	\$4,000
11.0 Telecommunications & Security Systems	\$950	\$50	\$1,000
12.0 Art Enrichment	\$1,252	\$0	\$1,252
Total Other Project Costs	\$17,274	\$16,991	\$34,265
Total Project Cost	\$79,880	\$49,552	\$129,432

Item 6 – File 98-737

- Department:** Recreation and Park Department (RPD)
- Item:** Ordinance amending the San Francisco Park Code by adding Sections 11.05 through 11.07 approving fee increases for the Japanese Tea Garden, Coit Tower, and wedding ceremonies at various RPD facilities.
- Description:** The proposed ordinance would authorize an increase of certain RPD fees for: (a) the Japanese Tea Garden; (b) the Coit Tower; and (c) wedding ceremonies held at the Palace of Fine Arts Rotunda, located at Marina Boulevard and Lyon Street, and the Chinese Pavilion, the Shakespeare Garden, and the Queen Wilhelmina Garden, all located in Golden Gate Park.
- Comment:**
1. According to Ms. Jacqueline Barsh of the RPD, the proposed fees for the Japanese Tea Garden were last increased on July 1, 1995; the proposed fees for the Coit Tower were last increased on July 1, 1988; and the proposed fees for the wedding ceremonies at various RPD facilities were last increased on July 1, 1993.
 2. Attachment 1, provided by the RPD, contains a comparison of the current and proposed fees for Coit Tower and the Japanese Tea Garden to fees for comparable attractions in other California and U.S. cities. According to Ms. Barsh, the proposed fee increases were determined on the basis of these comparisons as well as RPD's assessment of increased fee levels that would not decrease demand for the attractions.
 3. Attachment 2 to this report, provided by Ms. Barsh, contains the current and proposed fees for each of the attractions, the percentage increase in such fees, as well as RPD's revenue projections for the proposed fees. The FY 1997-98 revenue projection for the Japanese Tea Garden is \$1,333,514. The estimated annual increase in fees for FY 1998-99 would be \$510,312, for total estimated annual fees of \$1,843,826 for the Japanese Tea Garden, resulting in an overall annual revenue increase of 38%. The FY 1997-98 revenue projection for Coit Tower is \$563,475. The estimated annual increase in fees would be

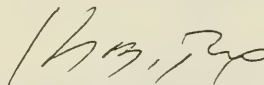
BOARD OF SUPERVISORS
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\$144,872, for total estimated annual fees of \$708,347 for Coit Tower, resulting in an overall annual revenue increase of 26%. The FY 1997-98 revenue projection for wedding ceremonies held at the Palace of Fine Arts Rotunda, the Chinese Pavilion, the Shakespeare Garden, and the Queen Wilhelmina Garden is \$36,786. The estimated annual increase in fees would be \$20,600, for total estimated annual fees of \$57,386 for wedding ceremonies at these four locations, resulting in an overall annual revenue increase of 56%.

4. The proposed legislation authorizes the Recreation and Park Commission to establish a program offering a 50 percent reduction of fees for entrance to the Japanese Tea Garden on the first Wednesday of each month for up to nine months each year, commencing in FY 1998-99. According to Ms. Barsh, this discount would reduce projected fee revenues for the Japanese Tea Garden by approximately \$6,000. However, RPD's projections assume an increase in attendance on the nine Wednesdays due to the reduced price. The projected increase in attendance would, according to Ms. Barsh, make the RPD's discount policy for the Japanese Tea Garden revenue-neutral.

5. Based on RPD's revenue projections contained in Attachment 2, the proposed fee increases would generate an estimated total of \$675,784 in additional revenues for FY 1998-99. According to Ms. Barsh, the increased fees will be reflected in the FY 1998-99 RPD budget, subject to approval of this proposed ordinance.

Recommendation: Approval of the proposed ordinance is a policy matter for the Board of Supervisors.


Harvey M. Rose

cc: Supervisor Teng
President Kaufman
Supervisor Newsom
Supervisor Ammiano
Supervisor Bierman
Supervisor Brown
Supervisor Katz
Supervisor Leno
Supervisor Medina
Supervisor Yaki
Supervisor Yee
Clerk of the Board
Controller
Gail Feldman
Matthew Hymel
Stephen Kawa
Ted Lakey

Tea Garden and Coit Tower Price Comparison

	COIT TOWER	COIT TOWER PROPOSED	EMPIRE STATE BUILDING	WORLD TRADE SERVICE	SEATTLE SPACE NEEDLE	CHICAGO SEARS TOWER	STATUE OF LIBERTY	SKYDECK AT EMBARCADERO	BANK OF AMERICA BUILDING
Adult	\$3.00	\$3.75	\$6.00	\$12.00	\$9.00	\$6.00	Free/With Ferry Charge	\$5.00	Free After 3
Adult/Muni	\$2.50	\$3.00				\$5.00	Free/With Ferry Charge	\$3.50	Free After 3
Child	\$1.00	\$1.50	\$1.00	\$6.00	\$4.00	\$6.00	Free/With Ferry Charge	\$5.00	Free After 3
Senior	\$2.00	\$2.50	\$1.00	\$9.00	\$7.00	\$6.00	Free/With Ferry Charge	Free Under 4	Free After 3
Other	Free Under 3	Free Under 6	Free Under 3	Free Under 6	Free Under 5	Free Under 4			

	JAPANESE TEA GARDEN	JAPANESE TEA GARDEN PROPOSED	CITY OF SAN MATEO, JAPANESE TEA GARDEN	DESCANSO GARDENS, SAN FERNANDO, CA	MARYOTT'S IRIS DISPLAY GARDEN, SAN JOSE	CITY OF SAN ANTONIO, BOTANICAL GARDENS	HAKONE GARDENS, SARTOGA CA		
Adult	\$2.50	\$3.50	Free	\$5.00	Free	\$4.00			
Adult/Muni	\$2.00	\$2.00	Free						
Child	\$1.00	\$1.25	Free	\$3.00	Free	\$1.00			
Senior	\$1.00		Free	\$5.00	Free	\$2.00			
Other		Free Under 6							
\$3.00 Per car - weekdays \$5.00 Per car - weekends Tuesday - Free									

Recreation & Park Department Fee Increase Projection

Japanese Tea Garden Admission

Description	FY 1986-97 Actual No. of Admission	Current Fee	Proposed Fee	% Change	FY 1987-98 Projected Revenue	FY 1988-99 Expected Revenue	Changes
Adult	486,774	\$2.50	\$3.50	40%	\$1,216,935	\$22,426	\$486,774
Adult	11,213	\$2.00	\$2.00	0%	\$22,426	\$22,426	\$0
Adult Muni	37,628	\$1.00	\$1.25	25%	\$37,628	\$47,035	\$9,407
Child	56,525	\$1.00	\$1.25	25%	\$56,525	\$70,656	\$14,131
Senior	592,140				\$1,333,514	\$1,843,828	\$510,312
Total							

Colt Tower Admission

Description	FY 1986-97 Actual No. of Admission	Current Fee	Proposed Fee	% Change	FY 1987-98 Projected Revenue	FY 1988-99 Expected Revenue	Changes
Adult	164,535	\$3.00	\$3.75	25%	\$493,605	\$617,008	\$123,401
Adult	6,641	\$2.50	\$3.00	20%	\$16,603	\$19,923	\$3,321
Adult Muni	19,335	\$1.00	\$1.50	50%	\$19,335	\$29,003	\$9,668
Child	16,966	\$2.00	\$2.50	25%	\$33,932	\$42,415	\$8,483
Senior					\$563,475	\$708,347	\$144,872
Total	207,477						

Wedding Reservation Fee¹

Current Fee	Proposed Fee	% Change	FY 1987-98 Projected Revenue	FY 1988-99 Expected Revenue	Changes
\$225	\$350	56%	\$36,786	\$57,386	\$20,600

Total Fee Increased Revenue \$676,785

1. Wedding reservation fees are for the first two hours. The current fee of \$35 will be charged for each additional hour.

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SAN FRANCISCO
PUBLIC LIBRARY

M I N U T E S

BUDGET HEARINGS
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

TUESDAY, JUNE 23, 1998 - 1:00 P.M.

VETERANS BUILDING
401 VAN NESS AVENUE
ROOM 410

MEMBERS: SUPERVISORS MABEL TENG, BARBARA KAUFMAN, GAVIN NEWSOM

CLERK: JONI BLANCHARD

Meeting Commenced: 1:03 p.m.

1. File 98-0849. [Annual Budget] Consideration of the Annual Budget of the City and County of San Francisco for Fiscal Year 1998-99. (Mayor Willie L. Brown, Jr.)
(Consideration continued from 6/20/98)

SPEAKERS: Harvey Rose, Budget Analyst; See additional speakers below next to departments listed.

ACTION: Hearing held. Consideration continued to 6/24/98.

General Administration and Finance

ADM	Administrative Services - Steve Nelson
CFM	Convention Facilities Management - Steve Nelson
PUR	Purchaser - Ed Lee
REG	Elections - Steve Nelson
RES	Real Estate - Tony DeLucchi
MYR	Mayor - Matthew Hymel
CHF	Children, Youth & Families - Matthew Hymel
ECN	Business & Economic Development - Matthew Hymel
ENV	Environment - Beryl Magilavy
BOS	Board of Supervisors - John Taylor
ETH	Ethics Commission - Ginny Vida
CAT	City Attorney - Louise Renne
TTX	Treasurer/Tax Collector - Susan Leal
CON	Controller - Ed Harrington
ASR	Assessor/Recorder - dna
CPC	City Planning - Gerald Green
PAB	Board of Appeals - Robert Feldman
RNT	Rent Arbitration Board - Joe Grubb
CSC	Civil Service Commission - Kate Favetti
HRD	Human Resources - Andrea Gourdine
RET	Retirement System - Claire Murphy

Public Protection

CRT	Trial Courts - Alan Carlson
JUV	Juvenile Probation - Jesse Williams
LLB	Law Library - Marcia Bell
AGW	County Agriculture/Weights & Measures - Dave Frieders
CME	Coronor - Dr. Boyd Stephens
ANC	Animal Care and Control - Carl Friedman
PAG	Public Administrative/Guardian - Ricardo Hernandez
DAT	District Attorney - Terence Hallinan
PDR	Public Defender - Jeff Brown
SHF	Sheriff - Michael Hennessey
ADP	Adult Probation - Carmen Bush
FIR	Fire Department - Chief Ronald Dellums
POL	Police - Chief Fred Lau

VOTE WAS 3-0.

Meeting Adjourned: 3:30 p.m.

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CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 Market Street, Suite 1025, San Francisco, CA 94102 (415) 554-7642
FAX (415) 252-0461

June 19, 1998

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TO: Finance Committee

JUN 26 1998

FROM: Budget Analyst *Recommendations for meeting of...*

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PUBLIC LIBRARY

SUBJECT: Recommendations of the Budget Analyst for Amendment of the Mayor's Fiscal Year 1998-99 Budget.

The Budget Analyst is providing the attached budget recommendations for departments listed below which are the subject of the Finance Committee budget review.

Finance Committee Hearing - June 23, 1998, 1:00 p.m.

Page

General Administration and Finance

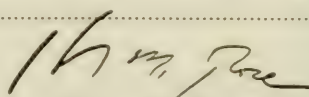
ADM Administrative Services	1
CFM Administrative Services - Convention Facilities Management	11
PUR Administrative Services - Purchasing	15
REG Elections	21
RES Administrative Services - Real Estate	25
MYR Mayor	28
CHF Children, Youth & Families	36
ECN Business & Economic Development	40
ENV Environment	45
BOS Board of Supervisors	48

General Administration and Finance

ETH Ethics Commission	53
CAT City Attorney	56
TTX Treasurer/Tax Collector	64
CON Controller	79
ASR Assessor/Recorder	86
CPC City Planning	93
PAB Board of Appeals	101
RNT Rent Arbitration Board	104
CSC Civil Service Commission	108
HRD Human Resources	110
RET Retirement Services	116

Public Protection

CRT Trial Courts	123
JUV Juvenile Probation	131
LLB Law Library	136
AGW County Agriculture/Weights & Measures	139
CME Admin. Services - Medical Examiner	145
ANC Animal Care and Control	149
PAG Admin. Services - Public Administrator/Guardian	151
DAT District Attorney	153
PDR Public Defender	159
SHF Sheriff	162
ADP Adult Probation	173
FIR Fire Department	178
POL Police	186



Harvey M. Rose

cc: Supervisor Teng	Supervisor Yee
President Kaufman	Clerk of the Board
Supervisor Newsom	Controller
Supervisor Ammiano	Gail Feldman
Supervisor Bierman	Matthew Hymel
Supervisor Brown	Stephen Kawa
Supervisor Katz	Ted Lakey
Supervisor Leno	Mayor
Supervisor Medina	
Supervisor Yaki	

BOARD OF SUPERVISORS
BUDGET ANALYST

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: ADM ADMINISTRATIVE SERVICES

**Budget Volume:
Budget Page:**

**VI
2297**

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$975,332	\$9,478,858	\$8,503,526	871.9 %
Other Department Revenue	4,476,602	5,217,075	740,473	16.5
Recoveries	5,110,841	5,236,960	126,119	2.5
Dept. General Fund Revenue	1,023,000	1,293,000	270,000	26.4
Supplemental Appropriations				-
Total Sources	\$11,585,775	\$21,225,893	\$9,640,118	83.2 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$10,890,775	\$17,229,740	\$6,338,965	58.2 %
Fac. Maint. / Capital Imp.	695,000	3,996,153	3,301,153	475.0
Subtotal - Mayor's Budget	\$11,585,775	\$21,225,893	\$9,640,118	83.2 %
Supplemental Appropriations				-
Total Uses	\$11,585,775	\$21,225,893	\$9,640,118	83.2 %
Mayor's Listed Positions:				
Permanent	41.34	53.63	12.29	29.7 %
Temporary	1.24	4.36	3.12	251.6
Attrition Savings	(0.85)	(1.32)	(0.47)	-55.3
Project Positions	(2.07)	(3.83)	(1.76)	-85.0
Subtotal, Mayor's Budget	39.66	52.84	13.18	33.2 %
Adjustments (FTE):				
Overtime				- %
Supplemental Appropriations				-
Other Adjustments	(4.47)	(3.45)	1.02	22.8
Total FTE	35.19	49.39	14.20	40.4 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: ADM Administrative Services

Financial Data:

The Administrative Services Department proposed \$17,229,740 operating budget for FY 1998-99 is \$6,338,965 or 58.2 % more than the original FY 1997-98 budget of \$10,890,775. The net increase from the revised FY 1997-98 budget to the proposed budget is \$6,213,358 or 56.4%.

Summary of Budgeted Activities:

	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Building Operations	\$0	\$0	\$4,929,721
Commute Assistance	132,730	132,730	218,850
County Clerk Services	663,560	630,498	716,045
Risk Management	4,978,111	4,978,111	5,236,960
Solid Waste Management	4,476,602	4,476,602	4,998,225
Technical Services	<u>639,772</u>	<u>798,441</u>	<u>1,129,939</u>
Subtotal Operating Expenditures	10,890,775	11,016,382	17,229,740
Facil. Maint./Cap. Imp.	<u>695,000</u>	<u>695,000</u>	<u>3,996,153</u>
TOTAL	<u>\$11,585,775</u>	<u>\$11,711,382</u>	<u>\$21,225,893</u>

Department Revenues:

The Department of Administrative Services projected revenue for FY 1998-99 includes an increase of \$270,000 in General Fund revenue, from \$1,023,000 in FY 1997-98 to \$1,293,000 in FY 1998-99, and an increase of \$740,473 in departmental revenue (consisting mostly of County Clerk fees), from \$4,476,602 in FY 1997-98 to \$5,217,075 in FY 1998-99.

Personnel Changes:

The Administrative Services' budget proposes an increase in salary expenses of \$942,287 to fund the addition of a total of 20 new positions, listed in the table below, and one substitution each in the County Clerk program, the Solid Waste Management program, and in the Risk Management program.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: ADM Administrative Services

New Personnel

<u>Class</u>	<u>Title</u>	<u>No. of Positions</u>	<u>Amount</u>	<u>Annualized Positions</u>	<u>Annualized Salary at Top Step</u>
Building Operations					
1361	Special Assistant II	1.16	\$38,451	2	\$66,294
1376 *	Special Assistant XVII	1.00	80,388	1	97,718
1426	Senior Clerk Typist	0.75	24,539	1	38,654
8207	Building/Grounds Patrol Off	2.32	94,854	5	199,926
TEMP	Temporary	3.82	179,321	5	234,713
Risk Management					
1376	Special Assistant XVII	0.75	73,289	1	97,718
Solid Waste Management					
1365	Special Assistant VI	1.50	66,164	2	88,218
1370	Special Assistant XI	0.75	47,802	1	63,736
Technical Services					
1367	Special Assistant VIII	0.75	38,269	1	51,026
1880	Chief of Systems	<u>0.75</u>	<u>69,804</u>	<u>1</u>	<u>93,073</u>
TOTAL		13.55	\$712,881	20	\$1,031,076

* The 1376 Special Assistant XVII position was approved as an Exception to the Interim Appropriation Ordinance by the Finance Committee on June 10, 1998. This position will coordinate the move back to City Hall and then function as a Building Manager.

Further explanation of these new positions is provided in the following description of Department Expenditures.

Department Expenditures:

The Administrative Services budget proposes an increase totaling \$9,640,118, which includes an increase of \$6,338,965 in operating expenses and \$3,301,153 in facilities maintenance and capital improvements. Of the total increase, \$8,398,936 is related to the move back into City Hall, including the cost of new furnishings, equipment, technical systems for the operation of electronic equipment, telephones, and new personnel. Details about the increases are as follows:

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS

1998-99

Department/Division: ADM Administrative Services

Building Operations Program

Salary expenses (including fringe benefits) for a total of 14 new positions, including two 1361 Special Assistant II positions for information services, one 1376 Special Assistant XVII to serve as building manager, one 1426 Senior Clerk Typist to support the building manager, five 8207 Building/Grounds Patrol Officers (existing positions currently serving at 401 Van Ness), and five temporary positions (equivalent to 1367 Special Assistant VII) for City Information to be stationed in the Treasurer-Tax Collector's office	\$492,103
Professional Services	
Payment of a portion of the operational costs for new childcare facility in City Hall as subsidy for employees	175,000
Rents & Leases	
Rent for the period July 1 through December 31, 1998	
formerly funded through the City Hall bond fund: 875 Stevenson	\$904,442
633 Folsom	<u>420,402</u>
	1,324,844
Materials & Supplies	
City Information	10,000
Equipment Purchase	
Office equipment	54,015
Assistive Listening Devices to provide the ability to re-transmit all audio within the space to personal headsets for use by the hearing impaired	150,000
Meeting Room System Control provides software controlled touch screens at each member and clerk location to monitor Board of Supervisor's meeting progress	1,220,000
Sound Reinforcement to amplify, capture and transmit sound from Board of Supervisor's Committee meetings to other spaces within the building	1,300,000
Lecterns - three portable lecterns at \$1,239 each	<u>3,719</u>
Computers - five computers at \$5,000 each for the City Services workstations	<u>25,000</u>
	2,752,734
Services of Other Departments	
DPW workorder for after hours custodial services for special events in City Hall	<u>175,000</u>
Subtotal	\$4,929,721*

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: ADM Administrative Services

Commute Assistance Program

Salary expenses	(\$5,368)
Professional Services	<u>91,488</u>
Subtotal	\$86,120

County Clerk Services Program

Equipment Purchase	
Office equipment for the move to City Hall	\$36,065
System furniture for the move to City Hall	<u>52,208</u>
	88,273*
Misc. offsetting reductions	<u>(35,788)</u>
Subtotal	\$52,485

Risk Management Program

Salary expenses (including fringe benefits) to accommodate cost of living adjustments, one upward substitution, and one new 1376 Special Assistant XVII position that converts a contractor to an employee	\$61,614
Other Current Expenses, which includes insurance premiums for the Finance Corporation, the new Courthouse, and the C-Med building at 25 th /Potrero	328,394
Misc. offsetting reductions	<u>(131,159)</u>
Subtotal	\$258,849

Solid Waste Management Program

Salary expenses (including fringe benefits) to accommodate cost of living adjustments, one new 1370 Special Assistant XI, two new 1365 Special Assistant VI positions, and one upward substitution	\$115,880
Professional Services	298,858
Travel	6,100
Services of Other Departments	182,000
Misc. offsetting reductions	<u>(81,215)</u>
Subtotal	\$521,623

Technical Services Program

Salary expenses (including fringe benefits) to accommodate cost of living adjustments, one new 1880 Chief of Systems responsible for consolidating MIS support for all units within Administrative Services, one new 1367 Special Assistant VIII and one upward substitution	\$253,315
Equipment purchase	
Office furniture for the move back to City Hall	105,373
System furniture for the move back to City Hall	<u>104,416</u>
	209,789*
Services of Other Departments	<u>27,063</u>
Subtotal	\$490,167

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS

1998-99

Department/Division: ADM Administrative Services

Facilities Maintenance and Capital Improvements

City Hall Facilities Maintenance		
Childcare furnishings, fixtures, and equipment to accommodate 35-40 children	\$350,000	
Freestanding furniture in common areas of City Hall	231,519	
Systems furniture in common areas of City Hall	168,099	
Draperies and blinds throughout City Hall	450,000	
Building Signage	713,113	
Event Power Distribution/Cord Sets to allow provide power anywhere in City Hall	14,576	
Telecommunications Connections to bring video signal throughout City Hall	18,745	
HVAC Telecommunications to bring HVAC signals to central HVAC system	16,251	
Security System Interconnections	25,728	
Talking Signs Interconnections to transmit talking sign data throughout City Hall	32,633	
Facility Panels Intermediate Frames to route telecommunications signals	<u>153,189</u>	
		2,171,153*
Telephones for City Hall		
Includes the purchase of 1,700 new digital telephones for employees at City Hall, 875 Stevenson, and 401 Van Ness, voice mail for 1,700 users, five group video conferencing systems, automated attendant and call distribution, and installation, maintenance, and support services		1,000,000*
Disabled Access Citywide		
Construction and modification of city-owned facilities to accommodate disabled access	150,000	
Consolidation of each of the City department's transition plan for Federally required Citywide Disabled Access Plan, to be contracted out	<u>500,000</u>	
		650,000
Misc. offsetting reductions		<u>(520,000)</u>
Subtotal		<u>\$3,301,153</u>

TOTAL INCREASE IN ADMINISTRATIVE SERVICES BUDGET **\$9,640,118**

* Costs related to move back into City Hall, totaling \$8,398,936.

Comments:

The Mayor's operating budget for Administrative Services provides for an increase of \$6,338,965. Our recommended reductions, which total \$157,489 would still allow an increase of \$6,181,476 or 56.8% in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: ADM ADMINISTRATIVE SERVICES

Page No.	Object	Account Title	Position/ Equipment Number	Number From	To	Amount From To		Savings
<u>County Clerk Services (AME)</u>								
2302	060	Equipment Purchase * The recommended reduction is the total of the following specific recommendations.				\$88,273	\$79,060	*
2321	060	Office Equipment Reduction to unspecified office equipment budget by 20 percent based on identification of reduced need for Departments that are moving back into City Hall. Approval of the balance of \$28,852 is a policy matter for the Board of Supervisors.	06098			36,065	28,852	\$7,213
2321	060	System Furniture Unit To reduce the unit price by \$250, from \$6,526 to \$6,276.	SF001N	8	8	52,208	50,208	2,000

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS

1998-99

Department: ADM ADMINISTRATIVE SERVICES

Page No.	Object	Account Title	Position/ Equipment Number	Number From To	Amount From	To	Savings
		<u>Solid Waste Management (BAI)</u>					
2305	021	Travel			\$30,500	\$22,500	\$8,000
		To provide sufficient funding for all 22 FTE Solid Waste Management employees to attend one computer training session each and the funding for 42 attendees for 27 conferences, instead of each employee attending two computer training sessions and 51 attendees for 27 conferences. In FY 1997-98, the travel budget was \$24,440, of which \$6,160 had been expended as of 5/15/98.					
		<u>Technical Services (EAC)</u>					
2307	060	Equipment Purchase			209,789	184,674	*
		* The recommended reduction in equipment is the total of the following specific recommendations.					
2323	060	Office Equipment	06098		105,573	\$4,458	21,115
		Reduction to unspecified office equipment budget by 20 percent based on identification of reduced need for Departments that are moving back into City Hall. Approval of the balance of \$84,458 is a policy matter for the Board of Supervisors.					
2323	060	System Furniture Unit	SF001N	16 16	104,416	100,416	4,000
		To reduce the unit price by \$250, from \$6,526 to \$6,276.					

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: ADM ADMINISTRATIVE SERVICES

Page No.	Object	Account Title	Position/ Equipment Number		Amount		Savings
			Number	From To	From	To	
307	06F	Facilities Maintenance Projects-Budget To disapprove the \$14,876 request for a portable power system in City Hall in case power is needed where an outlet is not provided, which the Department has not adequately justified. Reduce unspecified office equipment budget of \$231,519 by \$46,304 or 20 percent based on identification of reduced need for Departments that are moving back into City Hall. Approval of the balance of \$185,215 is a policy matter for the Board of Supervisors. Also, reduce budget request of \$168,099 by \$6,250 for 25 units of Systems Furniture based on unit cost reduction of \$250 per unit, from \$6,526 to \$6,276.			\$2,171,153	\$2,103,723	\$67,430
307	06F	Facilities Maintenance Projects *Reserve \$350,000 for childcare furnishings and fixtures for 30 children, at a cost of approximately \$11,667 per child, pending details and justification.			350,000	350,000	*
		<u>Building Operations (FAS)</u>					
310	001	Permanent Salaries-Misc. * The recommended reductions in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.			238,232	213,693	*

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **ADM ADMINISTRATIVE SERVICES**

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
2318	001	Senior Clerk Typist To disapprove a new position which has not been adequately justified by the Department. We have recommended approval of 19 of the 20 new requested positions.	1426	0.75	0	\$24,539	0	\$24,539
2310	013	Mandatory Fringe Benefits Corresponds to reductions in salaries.				74,550	\$68,661	5,889
2310	040	Materials & Supplies Reduce request for the City Information project to correspond to the Materials & Supplies budget for projects of similar size.				10,000	5,000	5,000
2310	060	Equipment Purchase • The recommended reduction in equipment is the total of the following specific recommendations.				2,752,734	2,740,431	*
2324	060	Office Equipment Reduce request for the City Information project to correspond to the Materials & Supplies budget for projects of similar size.				54,015	43,212	10,803
2324	060	Computer Approve budget request to purchase one new computer, one software package, and data lines for each of the five new positions in the City	AD009			25,000	23,500	1,500
Total Recommended Reductions								\$157,489
Total Recommended Reserves								\$350,000

BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY

Department: CFM ADMIN SERVICES - CONVENTION
FACILITIES MANAGEMENT

Budget Volume: V
Budget Page: 2115

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
Unallocated Fund Balance			\$0	- %
Other Department Revenue	\$1,100,000	\$2,275,000	\$1,175,000	106.8
Hotel Tax	33,590,638	35,516,420	1,925,782	5.7
Dept. General Fund Revenue			-	-
Supplemental Appropriations			-	-
Total Sources	\$34,690,638	\$37,791,420	\$3,100,782	8.9 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$45,890,984	\$48,995,393	\$3,104,409	6.8 %
Fac. Maint. / Capital Imp.	1,100,000	2,275,000	1,175,000	106.8 %
Unappropriated Revenue	23,449,102	23,374,093	(75,009)	-0.3
Subtotal - Mayor's Budget	\$70,440,086	\$74,644,486	\$4,204,400	6.0 %
Supplemental Appropriations			-	-
Total Uses	\$70,440,086	\$74,644,486	\$4,204,400	6.0 %
Mayor's Listed Positions:				
Permanent	3.00	3.00		- %
Temporary	1.10	1.32	0.22	20.0
Attrition Savings			-	-
Subtotal, Mayor's Budget	4.10	4.32	0.22	5.4 %
Adjustments (FTE):				
Overtime				- %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	4.10	4.32	0.22	5.4 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **CFM ADMIN SERVICES - Convention Facilities Management**

Financial Data:

The Convention Facilities Management Department proposed \$48,995,393 budget for FY 1998-99 is \$3,104,409 or 6.8 percent more than the original FY 1997-98 budget of \$45,890,984. The net increase from the revised FY 1997-98 budget is \$3,806,049, or 8.4 percent.

Summary of Budgeted Activities:

	Fiscal Year 1997-98		Fiscal Year
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Convention Facilities Program Management	<u>\$70,440,086</u>	<u>\$69,738,446</u>	<u>\$74,644,486</u>
Less: Unappropriated Revenue	(23,449,102)	(23,449,102)	(23,374,093)
Less: Facilities Maintenance and Capital Improvements	<u>(1,100,000)</u>	<u>(1,100,000)</u>	<u>(2,275,000)</u>
Net Departmental Budget	\$45,890,984	\$45,189,344	\$48,995,393

Department Expenditures:

The Convention Facilities Management's proposed operating budget for FY 1998-99 is detailed in the table below:

<u>Expenditure</u>	<u>Original 1997-98</u>	<u>Proposed 1998-99</u>	<u>Change</u>
Professional Services:			
Moscone Center Joint Venture (formerly Spectacor)	\$12,203,474	\$13,321,155	\$1,117,681
Convention & Visitor's Bureau	6,700,000	7,000,000	300,000
Other	44,175	43,750	(425)
Payments to San Francisco			
Redevelopment Agency for			
Moscone Center Revenue			
Lease Bonds	19,771,588	19,824,186	52,598
Insurance	2,120,000	2,120,000	0
Light, Heat and Power	2,733,580	2,787,430	53,850
Overhead, Supplies, Services of			
Other Departments and Other	2,005,107	3,555,161	1,550,054
Salaries and Fringe Benefits	<u>313,060</u>	<u>343,711</u>	<u>30,651</u>
Total Operating Budget	<u>\$45,890,984</u>	<u>\$48,995,393</u>	<u>\$3,104,409</u>

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: CFM ADMIN SERVICES - Convention Facilities Management

The Convention and Facilities Management budget also proposes \$2,275,000 in capital improvements, an increase of \$1,175,000 or 107% over their FY 1997-98 capital improvement budget of \$1,110,000, including: 1) \$315,000 for a loading dock retrofit for the Civic Auditorium, 2) \$850,000 for a new roof on the Moscone Center, 3) \$360,000 for a total renovation to the Visitor Information Center at Hallidie Plaza, and 4) \$750,000 for miscellaneous improvements to the Moscone Center and the Civic Auditorium.

Comments:

The Mayor's proposed budget, including capital improvements, provides for a total increase of \$4,204,400. Our recommended reductions, which total \$420,000 would still allow an increase of \$3,784,400, or 8.1 percent in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS

1998-99

Department: CFM ADMIN SERVICES - Convention Facilities Management

Page No.	Object	Account Title	Position/ Equipment Number	Number From To	Amount From	To	Savings
<u>Convention Facilities Program Management (EAD)</u>							
2118	067	CIP - Civic Center/Bill Graham Auditorium			\$315,000	\$100,000	\$215,000
		Department has not adequately justified a complete retrofit of Hayes Street loading dock. Our recommendation provides \$100,000 for a portable loading dock.					
2118	067	Misc. Capital Improvement			750,000	545,000	205,000
		Department has not adequately justified all of the Moscone lighting improvements (\$180,000), Civic Auditorium window treatment (\$15,000), or Civic compactor container replacement (\$10,000). Our recommendation provides \$90,000 for Moscone lighting improvements, \$40,000 for upgrade of the Moscone Safety System/Paging System, \$250,000 for ADA improvements at Moscone, \$50,000 for security gate on Folsom Street loading dock at Moscone, \$15,000 for radio repeater retrofit at Civic Auditorium, and \$100,000 for acoustical treatment retrofit in Civic Auditorium meeting rooms.					

Total Recommended Reductions

\$420,000

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: PUR ADMIN SERVICES - PURCHASING

**Budget Volume: VI
Budget Page: 2547**

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$1,899,888	\$2,937,010	\$1,037,122	54.6 %
Other Department Revenue				-
Recoveries	20,088,870	20,580,977	492,107	2.4
Dept. General Fund Revenue	200,000	200,000		-
Supplemental Appropriations				-
Total Sources	\$22,188,758	\$23,717,987	\$1,529,229	6.9 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$22,173,758	\$23,702,987	\$1,529,229	6.9 %
Fac. Maint. / Capital Imp.	15,000	15,000		-
Subtotal - Mayor's Budget	\$22,188,758	\$23,717,987	\$1,529,229	6.9 %
Supplemental Appropriations				-
Total Uses	\$22,188,758	\$23,717,987	\$1,529,229	6.9 %
Mayor's Listed Positions:				
Permanent	187.00	191.00	4.00	2.1 %
Temporary	0.33	0.33		-
Attrition Savings	(8.92)	(8.14)	0.78	8.7
Subtotal, Mayor's Budget	178.41	183.19	4.78	2.7 %
Adjustments (FTE):				
Overtime	0.87	0.85	(0.02)	-2.0 %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	179.28	184.04	4.76	2.7 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: PUR ADMIN SERVICES - PURCHASING

Financial Data:

The Admin Services - Purchasing proposed \$23,717,987 budget for FY 1998-99 is \$1,529,229 or 6.9 percent more than the original FY 1997-98 budget of \$22,188,758. The net increase from the revised FY 1997-98 budget is \$1,050,194, or 4.6 percent.

Summary of Budgeted Activities:

	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Program Expenditures			
Management/Administration	\$471,345	\$473,360	\$827,803
Central Shops	14,445,301	14,445,301	14,672,799
Procurement Services	3,162,105	3,237,105	3,245,516
Reproduction	<u>4,110,007</u>	<u>4,512,027</u>	<u>4,971,869</u>
Total Expenditures	\$22,188,758	\$22,667,793	\$23,717,987
Program Recoveries			
Management/Administration	\$115,944	\$115,944	\$0
Central Shops	14,373,209	14,373,209	14,672,799
Procurement Services	1,489,710	1,564,710	936,309
Reproduction	<u>4,110,007</u>	<u>4,512,027</u>	<u>4,971,869</u>
Total Work Order Recoveries	\$20,088,870	\$20,565,890	\$20,580,977
Net Expenditures	\$2,099,888	\$2,101,903	\$3,137,010

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: PUR ADMIN SERVICES - PURCHASING

Department Revenues:

Work order recovery revenues are anticipated to increase from \$20,088,870 in FY 1997-98 to \$20,580,977 in FY 1998-99, an increase of \$492,107 or 2.4 percent, due to increases in demand for Reproduction and Central Shops services.

Projected General Fund revenues from the sale of surplus property remain at \$200,000.

Department Personnel Changes

The number of full-time equivalent positions budgeted for FY 1998-99 before adjustments including four new positions is 183.19 FTEs, which is 4.78 FTE greater than the 178.41 budgeted in FY 1997-98. The FTE allocations by program are as follows:

<u>Program</u>	<u>FY 1997-98</u>	<u>FY 1998-99</u>	<u>Increase (Decrease)</u>
Reproduction Services	19.29	20.09	0.80
Procurement Services	45.07	47.31	2.24
Central Shops	108.30	108.29	(0.01)
Management/Administration	<u>5.75</u>	<u>7.50</u>	<u>1.75</u>
Totals	178.41	183.19	4.78

The requested four new positions, which on an annual basis represent five new positions, are as follows:

<u>Position Number</u>	<u>Position Classification</u>	<u>Mayor's Budget Request</u>		<u>Annualized Number of Positions</u>	<u>Annualized Salaries at Top Step</u>
		<u>Number of Positions</u>	<u>Amount Budgeted</u>		
5322N	Graphic Artist	0.75	\$25,722	1.00	\$40,559
1952N	Purchaser	0.75	30,870	1.00	49,955
1956N	Senior Purchaser	1.00	60,709	1.00	60,709
1023N	Administrator III	<u>1.50</u>	<u>97,110</u>	<u>2.00</u>	<u>129,978</u>
Subtotal		4.0	\$214,411	5.0	\$281,201

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: PUR ADMIN SERVICES - PURCHASING

The Budget Analyst is recommending approval of four of the five new annualized requested positions including one new Administrator III, one new Graphic Artist, one new Senior Purchaser and one new Purchaser. The Budget Analyst is recommending disapproval of one of the two requested Administrator III positions.

Positions Substitutions Requested

The Department is requesting substitute positions for five existing positions, which result in budgeted savings of \$5,795. The Budget Analyst recommends approval of the requested substitutions.

Comments

1. The Department's General Fund Unallocated Revenue provides for an increase of \$1,037,122 or 54.6%. This increase is for purposes of simplifying the accounting by eliminating the need for work orders from MUNI, the Hospitals and the Recreation and Parks Department. This represents the primary reason for the Department's increased budget, representing 68 percent of the increase.
2. Most major City departments now are entering purchase documents directly into the City's automated purchasing system. Purchasing is currently extending this system implementation to house the few major departments that are not yet online, including the Police Department.
3. Purchasing is continuing to move forward with a pilot program to evaluate a procurement credit card that would enable departments to pay for low-dollar purchases more efficiently. Anticipated benefits include:
 - reduce administrative burden of processing many low dollar invoices and checks;
 - more prompt vendor payments;
 - greater flexibility and convenience for user departments;
 - enhanced internal controls;
 - information and reports to track and analyze low dollar purchasing activities.
4. Purchasing's Central Shops is continuing to support an alternative fuels program that so far has resulted in \$3 million in grants to the City for alternative fuel vehicles and facilities.
5. The Mayor's budget provides an increase of \$1,529,229. Our recommended reductions, which total \$90,555, would still allow an increase of \$1,438,674 or 6.5% in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: PUR ADMIN SERVICES - PURCHASING

Page No.	Object	Account Title	Position/ Equipment	<u>Number</u>		<u>Amount</u>		Savings
			Number	From	To	From	To	
<u>Procurement Services (FCC)</u>								
2553	022	Training				\$7,500	\$5,000	\$2,500
		Reduce to 1997-98 budget level adjusted by a cost of living factor for 1998-99.						
2553	079	Allocated Charges				(200,000)	(220,000)	20,000
		To increase allocated charges in order to decrease the Department's General Fund allocation as agreed to by the Department.						
<u>Management/Administration (FEC)</u>								
2557	060	Equipment Purchase				228,410	219,660	*
		*The recommended reduction in equipment is the total of the following specific recommendations.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: PUR ADMIN SERVICES - PURCHASING

Page No.	Object	Account Title	Position/ Equipment Number	<u>Number</u>		<u>Amount</u>		Savings
				From	To	From	To	
2570	060	System Furniture Unit	SF001N	35	35	\$228,410	\$219,660	\$8,750
		To reduce the unit price by \$250 from \$6,526 to \$6,276.						
2557	001	Permanent Salaries - Misc.				97,110	48,555	-
		• The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.						
2564	001	Administrator III	1023L	1.50	0.75	97,110	48,555	48,555
		To delete one of the two new requested Administrator III positions. On a FTE basis, it deletes a 0.75 FTE. We are, however, recommending approval of four of the five new positions requested for FY 1998-99.						
2557	013	Mandatory Fringe Benefits				21,500	10,750	10,750
		Corresponds to reduction in salaries.						
Total Recommended Reductions								\$90,555

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: REG ELECTIONS

**Budget Volume: VI
Budget Page: 2571**

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$3,405,314	\$2,520,258	(\$885,056)	-26.0 %
Other Department Revenue				-
Recoveries	36,665	36,665		-
Dept. General Fund Revenue	321,645	321,645		-
Supplemental Appropriations				-
Total Sources	\$3,763,624	\$2,878,568	(\$885,056)	-23.5 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$3,763,624	\$2,878,568	(\$885,056)	-23.5 %
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	\$3,763,624	\$2,878,568	(\$885,056)	-23.5 %
Supplemental Appropriations				-
Total Uses	\$3,763,624	\$2,878,568	(\$885,056)	-23.5 %
Mayor's Listed Positions:				
Permanent	11.90	11.90		- %
Temporary	15.31	11.29	(4.02)	-26.3
Attrition Savings	(0.64)	(0.32)	0.32	50.0
Subtotal, Mayor's Budget	26.57	22.87	(3.70)	-13.9 %
Adjustments (FTE):				
Overtime	0.60	0.58	(0.02)	-3.3 %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	27.17	23.45	(3.72)	-13.7 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **REG Elections**

Financial Data:

The Department of Election's proposed \$2,878,568 budget for FY 1998-99 is \$885,056 or 23.5% percent less than the original FY 1997-98 budget of \$3,763,624. The net decrease from the revised FY 1997-98 budget to the proposed budget is \$891,161 or 23.6 percent.

Summary of Budgeted Activities:

	<u>Fiscal Year 1997-98</u>	<u>Fiscal Year</u>	
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Registrar	<u>3,763,624</u>	<u>3,769,729</u>	<u>2,878,568</u>
Total	<u>3,763,624</u>	<u>3,769,729</u>	<u>2,878,568</u>

Department Personnel Changes:

The proposed budget includes a \$9,474 increase in permanent salaries resulting from the substitution of two 1403 Elections Clerk positions and one 1426 Senior Clerk Typist for three new 1367 Special Assistant VIII positions, which was approved by the Department of Human Resources.

Department Expenditures:

The proposed budget includes an increase in salary expenses of \$28,407 to reflect cost of living adjustments, increase in wage-related fringe benefits, reduction in salary savings, and slight increases in premium and overtime pay.

The proposed budget for non-salary expenditures includes \$255,447 for new furnishings for the relocation to City Hall, \$3,056 for travel to statewide meetings, \$4,000 for training and \$10,200 for replacing existing computer equipment which no longer functions properly. The proposed budget for other current expenses is \$968,261, which is a decrease of \$774,681 from the FY 1997-98 budget.

Comment:

In FY 1997-98, two elections were held, one of which had lengthier voter pamphlets and was the City's first open primary. As such, the budget for FY 1997-98 increased 42.4% over FY 1996-97 for additional staff and equipment. In FY 1998-99, there will be one election.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: REG Elections

Page No.	Object	Account Title	Position/ Equipment Number	Number From	To	Amount From	To	Savings
<u>Elections (FCH)</u>								
573	021	Travel				\$3,056	\$1,528	\$1,528
		Approve one staff member instead of two to attend conferences. The Department has not adequately justified the need for two employees to attend the same conference.						
573	022	Training				4,000	2,710	1,290
		Approve a total of seven employees, instead of 11 employees, to attend four training sessions: two employees for each of three training sessions in California and one employee for the one out-of-state training session.						
573	060	Equipment Purchase				255,447	218,965	*
		* The recommended reduction in equipment is the total of the following specific recommendations.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: REG Elections

Page No.	Object	Account Title	Position/ Equipment			Number		Amount		Savings
			Number	From	To	From	To	From	To	
2576	060	Office Equipment	06098					\$183,661	\$149,929	\$33,732
		Reduction to unspecified office equipment budget by 20 percent based on identification of reduced need for Departments that are moving back into City Hall. Approval of the balance of \$149,929 is a policy matter for the Board of Supervisors.								
2576	060	System Furniture Unit	SF001N	11	11			71,786	69,036	2,750
		To reduce the unit price by \$250 from \$6,526 to \$6,276.								

Total Recommended Reductions	\$39,300
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**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: RES ADMIN SERVICES - REAL ESTATE

Budget Volume: VI
Budget Page: 2577

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$804,180	\$1,055,285	\$251,105	31.2 %
Other Department Revenue	3,939,191	4,022,125	82,934	2.1
Recoveries	1,474,803	1,518,653	43,850	3.0
Dept. General Fund Revenue	179,750	190,500	10,750	6.0
Supplemental Appropriations				-
Total Sources	\$6,397,924	\$6,786,563	\$388,639	6.1 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$6,397,924	\$6,786,563	\$388,639	6.1 %
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	\$6,397,924	\$6,786,563	\$388,639	6.1 %
Supplemental Appropriations				-
Total Uses	\$6,397,924	\$6,786,563	\$388,639	6.1 %
Mayor's Listed Positions:				
Permanent	21.00	21.00		- %
Temporary				-
Attrition Savings	(0.41)	(0.41)		-
Project Positions	(6.00)	(6.00)		-
Subtotal, Mayor's Budget	14.59	14.59		- %
Adjustments (FTE):				
Overtime				- %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	14.59	14.59		- %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: RES ADMIN SERVICES - Real Estate

Financial Data:

The Real Estate Department proposed \$6,786,563 budget for FY 1998-99 is \$388,639 or 6.1 percent more than the original FY 1997-98 budget of \$6,397,924. The net increase from the revised FY 1997-98 budget is identical to the increase from the original budget.

Summary of Budgeted Activities:

	<u>Fiscal Year 1996-97</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1997-98</u>
Real Estate Administration	\$6,397,924	\$6,397,924	\$6,786,563

Department Revenues:

The Real Estate Department's projected revenue amount of \$4,022,125 for FY 1998-99 is \$82,934 or 2.1% more than the projected revenue amount of \$3,939,191 for FY 1997-98. The Real Estate Department reports that the revenue increase is attributable to increases in the 1) fees at the 1660 Mission parking lot, 2) rentals at 25 Van Ness, and 3) General Fund lease revenues.

Department Expenditures:

The Department of Real Estate's budget includes \$584,880 for other current expenses, which is an increase of \$514,880 over the FY 1997-98 budget amount of \$70,000, or a 735.5% increase. The budget includes \$50,000 for security at 875 Stevenson, \$70,000 for repair of the elevator at Hallidie Plaza, which serves the San Francisco Convention and Visitors Bureau, and \$464,880 for tenant improvements at 875 Stevenson, a leased facility. Following relocation to City Hall, the Mayor proposes to provide tenant improvements for the City departments that will still occupy 875 Stevenson, a leased facility.

The Mayor's budget provides for an increase of \$388,639. Our recommended reductions, which total \$23,933 would still allow an increase of \$364,706 or 5.7% in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: RES - Real Estate

Page No.	Object	Account Title	Position/ Equipment Number	Number From To	Amount From	To	Savings
<u>General Fund (FDM)</u>							
581	035	Other Current Expenses			\$584,880	\$584,880	*
		* Pending identification of details and justification for tenant improvements at 875 Stevenson, a leased facility, reserve the amount of \$464.880.					
584	081	Services of Other Depts.			286,580	262,647	23,933
		To reduce funding for Light, Heat & Power to the estimate provided by the Light, Heat & Power Department.					
Total Recommended Reductions							<u>\$23,933</u>
Total Recommended Reserves							\$464.880

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: MYR MAYOR

Budget Volume:
Budget Page:

VI
2467

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$8,419,563	\$5,701,390	(\$1,718,173)	-20.4 %
Other Department Revenue	45,757,310	50,810,093	5,052,783	11.0
Dept. General Fund Revenue	986,507	986,507		
Supplemental Appropriations	1,194,943		(1,194,943)	-100.0
Total Sources	\$56,358,323	\$58,497,990	\$2,139,667	3.8 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$50,735,419	\$53,329,853	\$2,594,434	5.1 %
Fac. Maint. / Capital Imp.	4,427,961	5,168,137	740,176	16.7
Subtotal - Mayor's Budget	\$55,163,380	\$58,497,990	\$3,334,610	6.0 %
Supplemental Appropriations	1,194,943		(1,194,943)	-100.0
Total Uses	\$56,358,323	\$58,497,990	\$2,139,667	3.8 %
Mayor's Listed Positions:				
Permanent	137.44	144.88	7.44	5.4 %
Temporary	1.83	1.30	(0.53)	-29.0
Attrition Savings	(3.71)	(1.45)	2.26	60.9
Project Positions	(6.87)	(1.50)	5.37	78.2
Subtotal, Mayor's Budget	128.69	143.23	14.54	11.3 %
Adjustments (FTE):				
Overtime	0.02		(0.02)	100.0 %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	128.71	143.23	14.52	11.3 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS

1998-99

Department/Division: MYR - Mayor's Office

Financial Data:

The proposed \$53,329,853 operating budget for FY 1998-99 is \$2,594,434 or 5.1 percent more than the original FY 1997-98 budget of \$50,735,419. The net increase from the revised FY 1997-98 budget to the FY 1998-99 budget is \$416,559 or 0.8 percent.

Summary of Budgeted Activities:

<u>Activity</u>	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Assistance & Neighborhood Outreach	\$1,009,609	1,228,133	\$1,030,775
City Administration	3,898,468	4,321,222	3,943,811
Mayor's Special/Protocol Funds	1,545,347	1,547,981	1,652,500
Community Development	27,011,116	27,427,854	26,711,116
Criminal Justice	2,749,345	3,851,067	3,471,428
Finance & Legislative Affairs	736,517	738,511	1,295,532
Gay/Lesbian Community Center		400,000	812,000
Grants For the Arts	12,649,270	12,660,927	13,619,126
Neighborhood Beautification	643,407	643,407	371,914
Office of Emergency Service	435,460	437,312	421,651
Waterfront Transportation	56,880	56,880	0
Departmental Transfer Adjustments		(400,000)	
Total Operating Expenditures	\$50,735,419	\$52,913,294	\$53,329,853
Facilities Maint./Capital Improvements	<u>4,427,961</u>	<u>4,427,961</u>	<u>5,168,137</u>
Total All Programs	\$55,163,380	\$57,341,255	\$58,497,990

Department Revenues:

The Mayor's budget includes the following revenues:

Federal & State Grants	\$28,058,361
Hotel Tax	20,370,613
General Fund	6,701,390
Recoveries	1,259,797
Other Departmental Revenue	<u>2,107,829</u>
Total	\$58,497,990

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: MYR - Mayor's Office

As shown above, the Mayor's Office budget includes estimated grant fund revenues of \$28,058,361. The Department of Housing and Urban Development Community Development Block Grant Program (CDBG), in amount of \$26,711,116 is approximately 95% of the total estimated grant revenues. The CDBG revenues shown in the Mayor's budget are estimated to be approximately the same as the amount budgeted in Fiscal Year 1997-98.

Department Expenditures:

Major increases in the Mayor's Office budget for Fiscal Year 1998-99 include an increase of \$969,856 in the Grants for the Arts Program which is funded from Hotel Tax funds and was previously identified as the Publicity and Advertising Fund and \$812,000 for the Gay/Lesbian Community Center (an increase of \$412,000 from the revised budget of \$400,000.)

The proposed 1998-99 budget includes an increase of 14.52 FTEs above the 1997-98 original budget. This increase is attributable to including in the FY 1998-99 budget the position count for the Office of Community Development, which is Federally funded by Community Development Block Grants. In addition the proposed budget includes various reclassifications, substitutions, reassignments and other position changes. The net effect of these position changes from the revised budget is a decrease of 2.69 FTE from 145.92 to 143.92 as shown below.

Activity	Fiscal Year 1997-98		Fiscal Year 1998-99
	Original	Revised	
Assistance & Neighborhood Outreach	13.51	13.51	13.82
City Administration	23.51	23.51	24.46
Mayor's Special Protocol Funds	9.00	9.00	.00
Mayor's Work Order Funds	5.70	5.70	6.25
Community Development	50.77	68.00	69.00
Criminal Justice	7.44	7.44	7.94
Finance & Legislative Affairs	9.26	9.26	10.89
Grants For the Arts	3.00	3.00	4.00
Neighborhood Beautification	1.62	1.62	2.00
Office of Emergency Service	<u>4.88</u>	<u>4.88</u>	<u>4.87</u>
Total Full Time Equivalent Employees	128.69	145.92	143.23

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS

1998-99

Department/Division: MYR - Mayor's Office

Comments:

1. The City Administration Program includes workorder funds from the following sources:

San Francisco International Airport	\$590,000
Hetch Hetchy Operating Fund	55,875
Public Utilities Commission	120,284
San Francisco Port	115,000
Municipal Railway	<u>52,000</u>
Total	\$933,159

The workorder funds in the Mayor's Fiscal Year 1998-99 budget as noted above of \$933,159 is an increase of \$99,933 or 12.0 % from the Fiscal Year 1997-98 budget of \$833,226. Expenditures from this \$933,159 of work order funds would include \$345,923 for salaries and fringe benefits for five staff positions and funding for the Federal and State lobbyists.

2. The Mayor's Budget provides for an increase of \$2,594,434. Our recommendations, which total \$1,925,628, would still allow for an increase of \$668,806 or 1.3 percent in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: MYR - Mayor

Page No.	Object	Account Title	Position/ Equipment			Amount		Savings
			Number	From	To	From	To	
<u>City Administration (FEA)</u>								
510	027	Professional & Specialized Services				\$1,612,500	0	\$1,612,500
		To eliminate appropriation for the Mayor's Special/Protocol Fund based on Mayor's Finance Director agreement that voter approval of Proposition F prevents spending for this purpose. Although the source of funds for the Mayor's Special/Protocol Fund is the Hotel Tax Fund, this reduction results in a direct General Fund benefit.						
<u>Criminal Justice (CGD)</u>								
2491	060	Equipment Purchase				52,208	50,208	*
		* The recommended reduction in equipment is the total of the following specific recommendations.						
2540	060	System Furniture Unit	SF001N	8	8	52,208	50,208	2,000
		To reduce the unit price by \$250 from \$6,526 to \$6,276.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: MYR - Mayor

Page			Position/ Equipment	Number		Amount		
No.	Object	Account Title	Number	From	To	From	To	Savings
<u>Assistance & Neighborhood Outreach (FAJ)</u>								
2502	060	Equipment Purchase				\$71,786	\$69,036	*
		* The recommended reduction in equipment is the total of the following specific recommendations.						
2542	060	System Furniture Unit	SF001N	11	11	71,786	69,036	\$2.7
		To reduce the unit price by \$250 from \$6,526 to \$6,276.						
<u>Grant For The Arts (FEQ)</u>								
2511	060	Equipment Purchase				19,578	18,828	*
		* The recommended reduction in equipment is the total of the following specific recommendations.						
2544	060	System Furniture Unit	SF001N	3	3	19,578	18,828	7
		To reduce the unit price by \$250 from \$6,526 to \$6,276.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: MYR - Mayor

Page			Position/ Equipment	<u>Number</u>		<u>Amount</u>		
No.	Object	Account Title	Number	From	To	From	To	Savings
<u>Finance & Legislative Affairs (FEY)</u>								
2517	001	Permanent Salaries - Misc. * The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.				\$850,856	\$597,542	*
2536	001	Special Assistant XI To correct an error in the budget.	1370S	(2)	(2)	126,687	(126,687)	\$253,374
2517	013	Mandatory Fringe Benefits * Corresponds to reduction in salaries.				175,517	123,263	52,254
2517	060	Equipment Purchase * The recommended reduction in equipment is the total of the following specific recommendations.				52,208	50,208	*

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: MYR - Mayor

Page No.	Object	Account Title	Position/ Equipment Number	Number From	To	Amount From	To	Savings
2546	060	System Furniture Unit	SF001N	8	8	\$52,208	\$50,208	\$2,000
		To reduce the unit price by \$250 from \$6,526 to \$6,276.						

Total Recommended Reductions

\$1,925.67

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

**Department: CHF MAYOR'S OFC - CHILDREN, YOUTH, &
THEIR FAMILY**

**Budget Volume: IV
Budget Page: 1561**

	<u>FY 1997-98 Budget</u>	<u>Mayor's FY 1998-99 Budget</u>	<u>Change</u>	<u>Percent Change</u>
Mayor's Revenue Amounts:				
General Fund Unallocated		\$1,597,727	\$1,597,727	- %
Other Department Revenue				-
Recoveries		234,000	234,000	-
Dept. General Fund Revenue	\$14,045,630	13,180,839	(864,791)	-6.2
Supplemental Appropriations	176,258		(176,258)	-100.0
Total Sources	\$14,221,888	\$15,012,566	\$790,678	5.6 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$14,045,630	\$15,012,566	\$966,936	6.9 %
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	\$14,045,630	\$15,012,566	\$966,936	6.9 %
Supplemental Appropriations	176,258		(176,258)	-100.0
Total Uses	\$14,221,888	\$15,012,566	\$790,678	5.6 %
Mayor's Listed Positions:				
Permanent	16.00	20.75	4.75	29.7 %
Temporary	2.20	0.07	(2.13)	-96.8
Attrition Savings	(0.36)	(0.35)	0.01	2.8
Subtotal, Mayor's Budget	17.84	20.47	2.63	14.7 %
Adjustments (FTE):				
Overtime				- %
Supplemental Appropriations	2.00		(2.00)	-100.0
Other Adjustments				-
Total FTE	19.84	20.47	0.63	3.2 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: CHF- Children, Youth, and Their Families

Financial Data:

The Mayor's Office of Children, Youth, and Their Families' proposed budget of \$15,012,566 for FY 1998-99 is \$966,936 or 6.9 percent more than the original FY 1997-98 budget of \$14,045,630. The net revised budget was increased by \$521,297, from \$14,491,269 to \$15,012,566 or 3.6%.

Summary of Budgeted Activities:

<u>Activity</u>	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year 1998-99</u>
	<u>Original</u>	<u>Revised</u>	
Administration	\$22,137	\$569,729	\$926,001
Childrens Baseline	1,374,105	1,375,706	805,726
Public Health	276,686	276,686	253,000
Childrens Programs	<u>12,372,702</u>	<u>12,269,148</u>	<u>13,027,839</u>
Total all Programs	\$14,045,630	\$14,491,269	\$15,012,566

Department Revenues:

The proposed budget includes \$1,597,727 in General Fund support in addition to the Department's \$13,180,839 special allocation of General Fund revenue.

Department Expenditures:

The proposed budget for the Mayor's Office of Children, Youth, and Their Families (MOCYF) includes one new 1364 Special Assistant V (.75 FTE), funding for two positions which were approved by supplemental appropriation during fiscal year 1997-98 and for two positions previously budgeted in temporary salaries for a total of 4.75 FTE.

Comments:

1. The monies in the Children's Fund have been set aside for specific program purposes in accordance with the City Charter. According to Section 16.108 of the City Charter, "During each fiscal year, a minimum of 25 percent of such funds shall be used for child care, a minimum of 25 percent for job readiness, training and placement, and a

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: CHF- Children, Youth, and Their Families

minimum of 25 percent for health and social services for children.” The balance can be spent on Library, Recreation, Delinquency Prevention and Education Services. Historically, the MOCYF has subtracted administration costs first, and then allocated the remainder equally across the above-mentioned areas.

2. The proposed budget of \$13,027,839 for Children’s Programs includes \$11,669,395 for professional service contracts with nonprofit organizations for youth development, family support, school readiness, and after school programs, \$100,000 for the Excelsior Youth Center, and \$1,258,444 for additional administrative costs.

3. The Mayor’s budget provides for an increase of \$966,936. Our recommended reductions, which total \$1,750 would still allow an increase of \$965,186 or 6.9% in the Department’s budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: CHF Mayor's Office - Child, Youth and Their family

Page No.	Object	Account Title	Position/ Equipment Number	Number From To	Amount From	To	Savings
<u>Children's Baseline (FAL)</u>							
1568	060	Equipment Purchase			\$45,682	\$43,932	*
		* The recommended reduction in equipment is the total of the following specific recommendations.					
1572	060	System Furniture Unit	SF001N	7 7	45,682	43,932	1,750
		To reduce the unit price by \$250 from \$6,526 to \$6,276.					
Total Recommended Reductions							\$1,750

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: ECN BUSINESS AND ECONOMIC DEVELOPMENT

Budget Volume:
Budget Page:

III
1128

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$512,609	\$837,117	\$324,508	63.3 %
Other Department Revenue	3,064,239	6,569,566	3,505,327	114.4
Recoveries		235,000	235,000	-
Dept. General Fund Revenue		200,000	200,000	-
Supplemental Appropriations				-
Total Sources	\$3,576,848	\$7,841,683	\$4,264,835	119.2 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$3,576,848	\$7,841,683	\$4,264,835	119.2 %
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	\$3,576,848	\$7,841,683	\$4,264,835	119.2 %
Supplemental Appropriations				-
Total Uses	\$3,576,848	\$7,841,683	\$4,264,835	119.2 %
Mayor's Listed Positions:				
Permanent	16.75	27.50	10.75	64.2 %
Temporary				-
Attrition Savings				-
Subtotal, Mayor's Budget	16.75	27.50	10.75	64.2 %
Adjustments (FTE):				
Overtime				%
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	16.75	27.50	10.75	64.2 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: ECN - BUSINESS AND ECONOMIC DEVELOPMENT

Financial Data:

The Department of Business and Economic Development's proposed \$7,841,683 budget for FY 1998-99 is \$4,264,835 or 119.2 percent more than the original FY 1997-98 budget of \$3,576,848. The net increase from the revised FY 1997-98 budget to the proposed FY 1998-99 budget is \$178,721 or 2.3 percent.

Summary of Budgeted Activities:

	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
3Com Park Project	\$1,406,927	\$1,409,862	
Seismic Safety Loan Program	560,416	560,416	\$424,566
Economic Development	504,187	582,661	1,272,114
Treasure Island	<u>1,105,318</u>	<u>5,110,023</u>	<u>6,145,003</u>
TOTAL	<u>\$3,576,848</u>	<u>\$7,662,962</u>	<u>\$7,841,683</u>

Department Revenues:

Other Department Revenue in the Business and Economic Development's proposed budget includes \$1,825,000 in City Property Rentals from the Treasure Island Project, revenues of \$4,320,000 in Federal Grants and \$424,566 in beginning fund balance in the seismic safety and loan program. The Department General Fund Revenue of \$200,000 is from Business Tax Registration Taxes.

Department Expenditures:

The proposed budget includes a \$135,850 decrease for the Seismic Safety Loan Program, which includes the Unreinforced Masonry Building Project, from \$560,416 to \$424,566, and a \$767,927 increase for the Economic Development Program, from \$504,187 to \$1,272,114. The proposed budget also includes an increase of \$5,039,685 for the Treasure Island Program, from the FY 1997-98 original budget of \$1,105,318 to \$6,145,003. No new funding is requested for the 3Com Park Project.

**RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS**

1998-99

Department/Division: **ECN - BUSINESS AND ECONOMIC DEVELOPMENT**

The budgeted number of permanent positions is increased by 10.75 full time equivalent positions (FTEs) from 16.75 to 27.5. The number of positions would increase by 11.25 on an annual basis. This 11.25 position change includes three positions previously budgeted in the Mayor's Office, one permanent position and 5.25 temporary positions approved by supplemental appropriation, one new position funded by a work order from the Airport and one new 1366 Special Assistant VII position which would perform the duties of a development specialist for the Treasure Island project.

		<u>Mayor's Budget Request</u>		<u>Annualized</u>	<u>Annualized</u>
<u>Position</u>	<u>Position Classification</u>	<u>Number of</u>	<u>Amount</u>	<u>Number of</u>	<u>Salaries</u>
<u>Number</u>		<u>Positions</u>	<u>Budgeted</u>	<u>Positions</u>	<u>at Top Step</u>
<u>Treasure Island Positions</u>					
1363	Special Assistant IV	1.00	\$31,607	1.00	\$38,289
1364	Special Assistant V	1.00	35,627	1.00	41,160
1366	Special Assistant VII	0.75	33,172	1.00	47,450
1372	Special Assistant XIII	0.75	45,967	1.00	72,897
1374	Special Assistant XV	3.00	232,240	3.00	253,222
1375	Special Assistant XVI	(1.00)	(90,802)	(1.00)	(90,802)
9399	Port Director (Harbor Master At Treasurer Island	1.00	115,000	1.00	137,521
<u>Economic Development</u>					
1365	Special Assistant VI	1.00	44,109	1.00	44,109
1366	Special Assistant VII	1.00	47,450	1.00	47,450
1371	Special Assistant XII	0.25	15,749	0.25	15,749
1372	Special Assistant XIII	1.00	65,000	1.00	72,897
1375	Special Assistant XVI	1.00	90,802	1.00	90,802
1849	Mayor's Program Manager	1.00	64,441	1.00	64,441
<u>Seismic Safety Loan Program</u>					
1365	Special Assistant	<u>(1.00)</u>	<u>(44,109)</u>	<u>(1.00)</u>	<u>(44,109)</u>
Total Position Changes		10.75	\$686,253	11.25	\$790,161

Comment:

The Mayor's budget provides for an increase of \$4,264,835. Our recommended reductions, which total \$12,750, would still allow an increase of \$4,252,085 or 118.9 percent in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS

1998-99

Department: ECN - Economic Development

Page No.	Object	Account Title	Position/ Equipment Number	Number From To	Amount From	To	Savings
<u>Economic Development (BK5)</u>							
1134	021	Travel			\$14,000	\$13,000	\$1,000
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.					
1134	022	Training			18,000	17,000	1,000
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.					
1134	035	Other Current Expenses			117,500	112,500	5,000
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.					
1134	060	Equipment Purchase			150,098	144,348	5,750
		* The recommended reduction in equipment is the total of the following specific recommendations.					

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: ECN - Economic Development

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
144	060	System Furniture Unit	SF001N	23	23	\$150,098	\$144,348	\$5,750
		To reduce the unit price by \$250 from \$6,526 to \$6,276.						
Total Recommended Reductions								<hr/> \$12,750

BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY

Department: ENV ENVIRONMENT

Budget Volume: IV
Budget Page: 1629

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$280,631	\$336,630	\$55,999	20.0 %
Other Department Revenue				-
Dept. General Fund Revenue				-
Supplemental Appropriations				-
Total Sources	\$280,631	\$336,630	\$55,999	20.0 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$280,631	\$336,630	\$55,999	20.0 %
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	\$280,631	\$336,630	\$55,999	20.0 %
Supplemental Appropriations				-
Total Uses	\$280,631	\$336,630	\$55,999	20.0 %
Mayor's Listed Positions:				
Permanent	3.00	4.00	1.00	33.3 %
Temporary	1.10	0.85	(0.25)	-22.7
Attrition Savings		(0.19)	(0.19)	-
Subtotal, Mayor's Budget	4.10	4.66	0.56	13.7 %
Adjustments (FTE):				
Overtime				- %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	4.10	4.66	0.56	13.7 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: ENV- Environment

Financial Data:

The Department of the Environment's proposed \$336,630 budget for FY 1998-99 is \$55,999 or 20.0 percent more than the original FY 1997-98 budget of \$280,631. The net increase from the revised FY 1997-98 budget is also 20.0 percent.

Summary of Budgeted Activities:

	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Total Expenditures	\$280,631	\$280,631	\$336,630

Department Expenditures:

The proposed budget includes \$230,110 in permanent salaries for four full-time equivalent positions including the Executive Director of the Department, the Secretary for the Commission on the Environment, a 1450 Executive Secretary I and one new Special Assistant VIII. The proposed budget also includes a request for \$40,000 in temporary salaries.

Comments

1. The responsibilities of the department of the Environment include assessing the City's environmental condition, planning for the long-term environmental sustainability of the City and conducting public education and outreach on environmental issues.

2. The Mayor's budget provides for an increase of \$55,999 or 20%. Our recommended reductions, which total \$44,000 would still allow an increase of \$11,999 or 4.3% in the Department's budget. We recommend approval of one new permanent Special Assistant VIII position previously budgeted in temporary salaries.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: ENV - Environment

Page No.	Object	Account Title	Position/ Equipment Number		Amount		Savings
			Number	From To	From	To	
1629	005	Temporary Salaries To eliminate temporary salaries requested because we are recommending approval of a new permanent Special Assistant VIII position which was previously budgeted under Temporary Salaries.			\$40,000	\$0	\$40,000
1629	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.			38,855	34,855	4,000
Total Recommended Reductions							<hr/> \$44,000

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: BOS BOARD OF SUPERVISORS

Budget Volume: VI
Budget Page: 2353

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$7,194,218	\$8,147,022	\$952,804	13.2 %
Other Department Revenue	100,000	100,000		
Dept. General Fund Revenue	183,150	183,150		
Supplemental Appropriations	384,905		(384,905)	-100.0
Total Sources	\$7,862,273	\$8,430,172	\$567,899	7.2 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$7,473,368	\$8,430,172	\$956,804	12.8 %
Fac. Maint. / Capital Imp.	4,000		(4,000)	-100.0
Subtotal - Mayor's Budget	\$7,477,368	\$8,430,172	\$952,804	12.7 %
Supplemental Appropriations	384,905		(384,905)	-100.0
Total Uses	\$7,862,273	\$8,430,172	\$567,899	7.2 %
Mayor's Listed Positions:				
Permanent	65.80	77.00	11.20	17.0 %
Temporary	1.11	1.01	(0.10)	-9.0
Attrition Savings	(0.39)	(0.82)	(0.43)	-110.3
Subtotal, Mayor's Budget	66.52	77.19	10.67	16.0 %
Adjustments (FTE):				
Overtime	0.08	0.08		- %
Supplemental Appropriations	10.00		(10.00)	-100.0
Other Adjustments	(0.42)		0.42	100.0
Total FTE	76.18	77.27	1.09	1.4 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **BOS - Board of Supervisors**

Financial Data:

The Board of Supervisors proposed \$8,430,172 budget for FY 1998-99 is \$956,804 or 12.8 percent more than the original FY 1997-98 budget of \$7,473,368. The net increase from the revised FY 1997-98 budget to the proposed 1998-99 budget is \$561,694 or 7.1 percent.

Summary of Budgeted Activities:

	Fiscal Year 1997-98		Fiscal Year
	<u>Original</u>	<u>Revised</u>	<u>1998</u>
Board of Supervisors	\$7,034,251	\$7,249,361	\$7,984,015
Citizens Telecommunications			
Policy Committee	100,000	100,000	100,000
Children's Baseline	141,158	141,158	141,831
Youth Commission	<u>197,959</u>	<u>197,959</u>	<u>204,326</u>
Subtotal	\$7,473,368	\$7,868,478	\$8,430,172
Fac. Maint./Capital Imp.	<u>\$4,000</u>		
Total	\$7,477,368	\$7,868,478	\$8,430,172

Department Budget Increases:

The budgeted number of positions is increased by 1.09 full time equivalent (FTE) positions from 76.18 to 77.27. The increase in the number of positions includes full year funding for four legislative analysis positions, ten positions approved through supplemental appropriations during Fiscal Year 1997-98, and one new 1424 Clerk Typist position to provide permanent clerical support for the Assessment Appeals Board. The San Francisco Transportation Authority provided 40 % of the funding for one 1818 Management Information Specialist position in the fiscal year 1997-98 budget. In the Mayor's proposed 1998-99 budget, this position would be fully funded from the General Fund. Temporary salaries were decreased by 0.10 FTEs and salary savings, which was budgeted at \$19,974 in Fiscal Year 1997-98, was increased to \$41,478 for Fiscal Year 1998-99.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: BOS - Board of Supervisors

The Board of Supervisors budget includes funding for membership dues as follows:

	<u>FY</u> <u>1997-98</u>	<u>FY</u> <u>1998-99</u>
California State Association of Counties	\$105,000	\$105,000
National Association of Counties	12,785	12,785
National League of Cities	17,221	17,910
Urban Counties Caucus	20,000	20,000
Other (Membership to various other organizations listed in the Administration Code Section 16.6.1)	<u>2,370</u>	<u>2,370</u>
 TOTAL	 \$157,376	 \$158,065

Comments:

1. The Clerk of the Board included an increase of \$73,454 or 5.0 percent from \$1,469,077 to \$1,542,531 in the proposed budget for the Budget Analyst Agreement. The actual contract increase will be adjusted upward or downward administratively by the Controller's Office based on the increase in the total costs of compensation, including fringe benefits, granted in the City's MOU with Local 21 in accordance with the Budget Analyst Joint Venture Agreement approved by the Board of Supervisors.

2. The Mayor's recommended FY 1998-99 budget includes a \$200,000 increase to the Board of Supervisors budget in order to expand performance auditing by the Budget Analyst. This additional level of funding will provide approximately 2,470 of additional professional staff hours to enhance the Budget Analyst's staff resources that can be directed toward fulfilling the Board of Supervisors Performance Audit Schedule. For calendar year 1997, the Budget Analyst expended approximately 2,500 of professional staff hours for performance audit functions. In addition, the Controller's FY 1998-99 budget includes a Citywide Performance Audit Project Appropriation to conduct performance audits of all City departments. The FY 1998-99 budget for the Controller contains a total of \$400,000 including: a) initial hiring of additional performance auditors at a cost of \$205,165; and, b) professional services to contract out for a portion of the performance audit effort at a cost of \$194,835.

3. The Mayor's budget provides for an increase of \$956,804. Our recommended reductions, which totals \$63,150 would still allow an increase of \$893,654 or 12% in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS

1998-99

Department: BOS - Board of Supervisors

Page			Position/ Equipment	Number		Amount		
No.	Object	Account Title	Number	From	To	From	To	Savings
<u>Board of Supervisors (FAE)</u>								
2356	001	Permanent Salaries - Misc.				\$3,613,484	\$3,573,484	*
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.						
2361	001	Attrition Savings	9993M			(41,478)	(81,478)	\$40,0
		Increase Attrition Savings based on actual expenditure level adjusted for salary standardization.						
2356	009	Premium Pay				4,379	2,500	1.8
		Reduce to actual 1997-98 expenditure level adjusted for salary standardization.						
2356	011	Overtime				6,000	4,000	2.0
		Reduce to actual 1997-98 expenditure level adjusted for salary standardization and seasonal variation.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: BOS - Board of Supervisors

Page No.	Object	Account Title	Position/ Equipment Number	Number		Amount		Savings
				From	To	From	To	
356	013	Mandatory Fringe Benefits				\$915,381	\$904,860	\$10,521
		Corresponds to reduction in salaries.						
356	060	Equipment Purchase				228,410	219,660	*
		* The recommended reduction in equipment is the total of the following specific recommendations.						
364	060	System Furniture	SF001N	35	35	228,410	219,660	8,750
		To reduce the unit price by \$250 from \$6,526 to \$6,276.						
Total Recommended Reductions								<hr/> \$63,150

BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY

Department: ETH ETHICS COMMISSION

Budget Volume: VI
Budget Page: 2428

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$320,878	\$468,971	\$148,093	46.2 %
Other Department Revenue				-
Dept. General Fund Revenue				-
Supplemental Appropriations	73,306		(73,306)	-100.0
Total Sources	\$394,184	\$468,971	\$74,787	19.0 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$320,878	\$468,971	\$148,093	46.2 %
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	\$320,878	\$468,971	\$148,093	46.2 %
Supplemental Appropriations	73,306		(73,306)	-100.0
Total Uses	\$394,184	\$468,971	\$74,787	19.0 %
Mayor's Listed Positions:				
Permanent	4.00	6.00	2.00	50.0 %
Temporary	0.12	0.12		
Attrition Savings	(0.11)	(0.11)		
Subtotal, Mayor's Budget	4.01	6.01	2.00	49.9 %
Adjustments (FTE):				
Overtime				- %
Supplemental Appropriations	2.57		(2.57)	-100.0
Other Adjustments				-
Total FTE	6.58	6.01	(0.57)	-8.7 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: ETH - Ethics Commission

Financial Data:

The Ethics Commission's proposed \$468,971 budget for FY 1998-99 is \$148,093 or 46.2 percent more than the original FY 1997-98 budget of \$320,878. The net increase from the revised FY 1997-98 budget to the proposed FY 1998-99 budget is \$74,787 or 19.0 percent.

Summary of Budgeted Activities:

	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Ethics Commission	\$320,878	\$394,184	\$468,971

Department Revenues:

The Ethics Commission anticipates generating at least the same amount of revenues in FY 1998-99 that were generated in FY 1997-98. As of the end of May 1998, the Ethics Commission generated a total of \$17,725, primarily from lobbyist registration fees (\$14,675), and campaign disclosure fines (\$2,830). These departmental revenues have not been included in the Mayor's proposed FY 1998-99 budget. The Controller's Office agrees that the Ethics Commission should generate at least \$17,725 in revenue, reducing their net General Fund support to \$451,246. Including such revenue in the budget will have the same positive General Fund impact as a General Fund expenditure reduction.

Department Expenditures:

Changes in permanent staffing primarily, are the result of annualizing the cost of 2.0 FTEs, which were approved by the Board of Supervisors, in February of 1998 in a supplemental appropriation and the proposed reclassification of two positions, which have been approved by the Department of Human Resources.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: ETH Ethics Commission

Page No.	Object	Account Title	Position/ Equipment		<u>Number</u>		<u>Amount</u>		<u>Savings</u>
			<u>Number</u>		<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
2428	20710	Lobbyist Registration Fees					\$0	\$14,675	(\$14,675)
		To include revenues which were inadvertently omitted in the FY 1998-99 budget.							
2428	25510	Campaign Disclosure Fees					0	2,830	(2,830)
		To include revenues which were inadvertently omitted in the FY 1998-99 budget.							
2428	60199	Other General Government Charges					0	220	(220)
		To include revenues which were inadvertently omitted in the FY 1998-99 budget.							
Total Recommended Revenue Increases									(\$17,725)

BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY

Department: CAT CITY ATTORNEY

Budget Volume: VI
Budget Page: 2367

	<u>FY 1997-98 Budget</u>	<u>Mayor's FY 1998-99 Budget</u>	<u>Change</u>	<u>Percent Change</u>
Mayor's Revenue Amounts:				
General Fund Unallocated	\$11,688,977	\$12,207,561	\$518,584	4.4 %
Recoveries	12,111,113	21,050,771	8,939,658	73.8
Supplemental Appropriations	824,009		(824,009)	-100.0
Total Sources	\$24,624,099	\$33,258,332	\$8,634,233	35.1 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$23,800,090	\$33,258,332	\$9,458,242	39.7 %
Fac. Maint. / Capital Imp.			-	-
Subtotal - Mayor's Budget	\$23,800,090	\$33,258,332	\$9,458,242	39.7 %
Supplemental Appropriations	824,009		(824,009)	-100.0
Total Uses	\$24,624,099	\$33,258,332	\$8,634,233	35.1 %
Mayor's Listed Positions:				
Permanent	240.30	332.50	92.20	38.4 %
Temporary	3.58	3.58		
Attrition Savings	(12.95)	(12.78)	0.17	1.3
Project Positions	(9.75)	1.25	11.00	112.8
Subtotal, Mayor's Budget	221.18	324.55	103.37	46.7 %
Adjustments (FTE):				
Overtime	0.36	0.35	(0.01)	-3.2 %
Supplemental Appropriations	10.50		(10.50)	-100.0
Other Adjustments			-	-
Total FTE	232.04	324.90	92.86	40.0 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: CAT - City Attorney

Financial Data:

The City Attorney's proposed \$33,258,332 budget for FY 1998-99 is \$9,458,242 or 39.7 percent more than the original FY 1997-98 budget of \$23,800,090. The net increase from the revised FY 1997-98 budget to the proposed budget is \$8,512,447 or 34.4 percent.

Summary of Budgeted Activities:

<u>Activity</u>	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Claims	\$3,843,303	\$3,848,472	\$5,189,770
Legal Services	19,956,787	20,867,413	28,068,562
TOTAL	\$23,800,090	\$24,745,885	\$33,258,332

Department Revenues:

The major change in the City Attorney's revenues is an increase of approximately \$8.8 million in recoveries; \$6.4 million in expenditure recoveries from non-General Fund sources such as the School District, bond issues and others not included in the City budget, and, an increase of approximately \$2.5 million in interdepartmental recoveries, which are payments from non General Fund departments and sources that are included in the City budget. A summary of these recoveries for FY 1997-98 and 1998-99 are as follows:

<u>Source</u>	<u>1997-98</u>	<u>1998-99</u>	<u>Change</u>
086-Interdepartmental recoveries	\$12,111,113	\$14,664,921	\$2,453,808
087-Expenditure recoveries from Non-General Fund	0	6,385,850	6,385,850
Total	\$12,111,113	\$21,050,771	\$8,839,658

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: CAT - City Attorney

These recoveries are included in the budget to offset the additional costs for most of the 103.37 additional listed full time equivalent positions (92.86 FTEs after adjustments) in this year's budget. 90.75 of these 103.37 full time equivalent positions are existing positions working for non-General Fund clients who were previously never included in the budget of the City Attorney.

Department Personnel Changes

The proposed budget shows a net increase of 103.37 listed FTEs compared to the original 1997-98 budget. The proposed changes in staffing are summarized as follows:

Position Change Classification	Salary and Benefits Dollar Change from FY 1997-98	Increase/ (Decrease) in FTE
Existing positions not previously included in the City Attorney's budget	\$7,444,637	90.75
Proposed new positions	292,390	3.75
Reduction in project funding compared to FY 1997-98	1,195,826	11.17
MIS reclassifications & other substitutions	150,144	(2.30)
Total Change	\$9,080,659	103.37

When benefits are added, total costs for the positions not previously included in the City Attorney's budget, would be \$7,444,637. This amount would be covered by the increased budgeted Expenditure Recoveries of \$8,838,658 from non-General Fund departments and other sources such as bond funds.

If approved, the proposed new 3.75 positions would translate into 5 full-time positions on an annual basis at a cost of \$389,854 in salaries and benefits.

The reduction in project funding compared to FY 1997-98 results from the elimination of a line item in the budget to correctly state the number of positions in the budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: CAT - City Attorney

The proposed new positions are:

Classification	Purpose	1998-99 FTEs	1998-99 Salaries & Benefits	Annualized FTEs	Annualized Salaries & Benefits
Sr. Claims Investigator	Promotions for two Claims Investigators	1.50	\$104,493	2.0	\$139,324
Administrator III	To provide information systems support to staff moving back to City Hall	.75	46,104	1.0	61,472
Sr. Attorney	Telecommunications matters	.75	66,470	1.0	88,627
Principal Attorney	Litigation of several large tax liability cases	.75	75,323	1.0	100,431
Total		3.75	\$292,390	5.0	\$389,854

Department Expenditures:

Besides the changes in positions described above, increased expenditures are also proposed to cover lease financing payments for the Department's new computer Local Area Network (LAN), new office equipment and furniture for the move back to City Hall, rent increases, an increase in judgments and claims, and information systems software, training and support services.

Comment:

The Mayor's budget provides for an increase of \$9,458,242. Our recommended reductions, which total \$945,064 would still allow for an increase in the Department's 1998-99 budget of \$8,513,178, or 35.8 percent in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: CAT - City Attorney/Claims

Page No.	Object	Account Title	Position/ Equipment Number			Amount		Savings
			Number	From	To	From	To	
369	001	Permanent Salaries - Misc. * The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.				\$3,537,071	\$3,446,566	*
372	001	Claims Investigator Two 8151 Claims Investigators are being reclassified to 8152 Sr. Claims Investigators, as recommended by the Department of Human Resources. This recommendation is to delete the two vacated 8151 Claims Investigators. The Department states it needs to retain those positions for increased investigation workload but has not provided any workload statistics to document the increase.	8151	8	6.5	482,693	392,188	\$90,505
369	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.				623,631	607,340	16,291

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: CAT - City Attorney/Legal Services

Page No.	Object	Account Title	Position/ Equipment Number			Amount		Savings
			Number	From	To	From	To	
2370	001	Permanent Salaries - Misc. * The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.				\$20,489,081	\$19,831,734	*
2375	001	Claims Investigator These positions were included in the budget in error and should be deleted.	8151	8.00	0.00	\$22,418	0	\$522,
2375	001	Senior Attorney The need for this new position to work on telecommunications issues has not been sufficiently demonstrated relative to total department workload and staffing. It is not clear why existing positions cannot be reassigned to this area or an existing position converted for this purpose when vacated. If the Finance Committee decides to approve this position, we concur with the Committee's proposal to make this a limited tenure position.	8178N	0.75	0	\$7,800	0	\$7,

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: CAT - City Attorney/Legal Services

Page No.	Object	Account Title	Position/ Equipment Number		Amount		Savings
			Number	From To	From	To	
376	001	Principal Attorney	8180N	0.75 0	\$65,498	0	\$65,498
		The need for this new position to litigate tax cases has not been sufficiently demonstrated relative to total department workload and staffing. It is not clear why existing positions cannot be reassigned to this area or an existing position converted for this purpose when vacated. If the Finance Committee decides to approve this position, we concur with the Committee's proposal to make this a limited tenure position.					
376	001	Attrition Savings - Misc.	9993M		(876,623)	(\$888,254)	11,631
		Returns attrition savings to 1997-98 level					
370	013	Mandatory Fringe Benefits			3,078,196	2,979,594	98,602
		Corresponds to reduction in salaries.					
370	060	Equipment Purchase			756,706	674,387	*
		*The recommended reduction in equipment is the total of the following specific recommendations.					

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: CAT - City Attorney/Legal Services

Page No.	Object	Account Title	Position/ Equipment Number	Number From To	Amount From To	Savings
2378	060	Office Equipment Reduction to unspecified office equipment budget by 20 percent based on identification of reduced need for Departments that are moving back into City Hall. Approval of the balance of \$267,275 is a policy matter for the Board of Supervisors.	6098		\$334,094 \$267,275	\$66,8
2378	060	Systems Furniture Unit To reduce the unit price by \$250 from \$6,526 to \$6,276.	SF001N	62 62	404,612 389,112	15,5

Total Recommended Reductions

\$945,0

BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY

Department: TTX TREASURER/TAX COLLECTOR

Budget Volume: VI
Budget Page: 2608

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$9,460,638	\$11,392,694	\$1,932,056	20.4 %
Other Department Revenue				-
Recoveries	937,084	1,224,950	\$287,866	30.7
Dept. General Fund Revenue	3,176,517	2,776,956	(399,561)	-12.6
Supplemental Appropriations				-
Total Sources	\$13,574,239	\$15,394,600	\$1,820,361	13.4 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$13,574,239	\$15,394,600	\$1,820,361	13.4 %
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	\$13,574,239	\$15,394,600	\$1,820,361	13.4 %
Supplemental Appropriations				-
Total Uses	\$13,574,239	\$15,394,600	\$1,820,361	13.4 %
Mayor's Listed Positions:				
Permanent	163.00	175.00	12.00	7.4 %
Temporary	9.25	9.40	0.15	1.6
Attrition Savings	(4.25)	(5.57)	(1.32)	-31.1
Subtotal, Mayor's Budget	168.00	178.83	10.83	6.4 %
Adjustments (FTE):				
Overtime	0.12	0.12		- %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	168.12	178.95	10.83	6.4 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: TTX TREASURER/TAX COLLECTOR

Financial Data:

The Treasurer/Tax Collector's proposed \$15,394,600 budget for FY 1998-99 is \$1,820,361 or 13.4 percent more than the original FY 1997-98 budget of \$13,574,239. The net increase from the revised FY 1997-98 budget is \$1,806,922 or 13.3 percent.

Summary of Budgeted Activities:

	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Program Expenditures			
Departmental Management	\$1,533,385	\$1,540,676	\$2,711,690
Legal Service	507,277	488,332	492,273
Tax Assessment	429,170	429,170	512,376
Taxpayer Assistance	800,524	734,205	811,527
Business Tax	4,031,562	4,376,380	4,219,942
Delinquent Revenue	2,973,171	2,858,537	3,159,106
Investment	714,186	716,435	725,151
Property Tax/Licensing	1,415,692	1,274,671	1,567,463
Treasury	<u>1,169,272</u>	<u>1,169,272</u>	<u>1,195,072</u>
Total	\$13,574,239	\$13,587,678	\$15,394,600

Department Revenue Changes

The proposed FY 1998-99 budget indicates that revenues are projected to increase to support the proposed increases in expenditures. However, as reported in the May 1, 1998 Controller's nine-month status report, the City's projected FY 1997-98 year-end balance of \$101.7 million is primarily attributable to higher property taxes, business taxes, hotel taxes, property transfer taxes and interest income on City funds, which are collected by the Treasurer/Tax Collector's Office. These increases in tax revenues are a direct result of the continued strength in the economy.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: TTX – Treasurer/Tax Collector

Department Personnel Changes

The proposed budget includes a total of 12 new positions, including the following 11 new permanent positions, budgeted to equal nine full-time equivalent (FTE) positions in FY 1998-99 at a cost of \$364,509:

<u>Number of FTEs</u>	<u>Classification</u>	<u>Title</u>	<u>FY 1998-99 Salary Cost</u>	<u>Maximum Annualized Salary</u>
1.00	1021	Administrator I	\$36,305	\$44,005
1.00	1408	Principal Clerk	39,326	46,510
1.00	1410	Chief Clerk	45,318	53,714
0.75	1630	Account Clerk	23,174	36,488
1.50	1632	Senior Account Clerk	59,149	84,304
0.75	1634	Principal Acct. Clerk	36,658	47,685
2.25	1652	Senior Accountant	89,086	144,072
<u>0.75</u>	4308	Senior Collections Officer	<u>35,493</u>	<u>46,171</u>
Total	9.00		\$364,509	\$502,949

The one 1021 Administrator I position is proposed for the Management Division to enhance the information services unit. The 1408 Principal Clerk would be added to the Bureau of Delinquent Revenue to free up the investigators and collection officers from performing routine administrative tasks. The 1410 Chief Clerk position is proposed for the Taxpayer Assistance Section in order to assist in supervising the phone bank and walk-in counter areas. The 1630 Account Clerk, 1632 Senior Account Clerk positions and the 1652 Senior Accountant positions are proposed to be added to the Accounting Unit of the Business Tax Division, due to the substantial increase in the number of business tax accounts and to relieve the auditors from performing daily accounting functions, more appropriate for lower-level staff. The 1634 Principal Account Clerk position would be a new workorder position from the Airport to manage the Airport's investment bond proceeds. The 4308 Senior Collections position is proposed to be funded through a workorder from San Francisco General Hospital to have an additional dedicated position to focus on SFGH delinquent collections.

The Budget Analyst conducted a Management Audit of the Tax Collector's Office in 1995, which recommended that the Department hire new accounting staff to relieve auditors doing administrative work as well as other cost saving and revenue generating recommendations. The Department reports that creation of many of the proposed new positions would result in significant additional revenues and efficiencies for the City. Therefore, the Budget Analyst has recommended eight of the proposed 11 new positions. The Budget Analyst is currently working on an update to the earlier Management Audit

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS

1998-99

Department: TTX – Treasurer/Tax Collector

report. If this Audit determines that the three additional positions that the Treasurer/Tax Collector is requesting are warranted, the Budget Analyst would recommend approval to the Board of Supervisors of a Treasurer/Tax Collector supplemental appropriation request which included those three additional positions.

In addition to these 9.0 FTEs, two 1371 Special Assistant XII positions are incorrectly included in the proposed budget. There are also three other positions which together will result in an increase of one FTE: a 1408 Principal Clerk budgeted at 0.75 in FY 1997-98, which will increase to one FTE in FY 1998-99, a 1652 Senior Accountant budgeted at 0.75 in FY 1997-98, which will increase to one FTE in FY 1998-99 and a 4321 Cashier II budgeted at 0.50 in FY 1997-98, which will increase to one FTE in FY 1998-99. The Treasurer/Tax Collector is proposing 46 personnel reassignments, substitutions and other personnel changes that will together result in additional costs of \$468,695 for FY 1998-99. Overall, the proposed budget includes slight increases in temporary salaries and increases in attrition savings, resulting in a total personnel increase of 10.83 positions for FY 1998-99.

Department Expenditure Changes

Overall, the Department's expenditures for salaries, which includes permanent and temporary salaries, premium pay, overtime and the associated fringe benefit costs, are proposed to increase \$1,070,684, or approximately 10.6 percent. This includes the \$364,509 identified above for the new 9.0 FTE positions. These increases are primarily a result of personnel changes in the Property Tax/Licensing Division, Taxpayer Assistance, Accounting and Business Tax Divisions.

In addition, the Department is proposing new equipment purchases totaling \$1,134,032, which includes \$630,032 for furniture and special workstations budgeted for the move back to City Hall and \$504,000 for a new cashiering system, computer upgrades and imaging systems for the Treasurer and Tax Collector's Offices.

Comments

The Mayor's budget provides for an increase of \$1,820,361. Our recommended reductions, which total \$280,683 would still allow an increase of \$1,539,678 or 11.3 percent in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: TTX - Treasurer/Tax Collector

Page No.	Object	Account Title	Position/ Equipment Number	From	To	Amount From	To	Savings
<u>Legal Service (FC2)</u>								
2612	009	Premium Pay				\$4,000	\$2,000	\$2,000
		Reduce to current year amount. No justification provided for doubling of premium pay.						
2612	022	Training				1,500	750	750
		Reduce to provide \$750 of the requested \$1,500 to initiate a new training program related to Legal Services.						
2612	023	Employee Field Expense				600	0	600
		This expense request was for travel to the Courts. Reduce since the new Courts Building is now located in the Civic Center. It is no longer necessary to include taxi fares, parking fees and other incidental expenses to travel to the Courts.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: TTX - Treasurer/Tax Collector

Page			Position/ Equipment	Number		Amount		
No.	Object	Account Title	Number	From	To	From	To	Savings
<u>TTX - Treasury (FCL)</u>								
2613	005	Temporary Salaries - Misc. Reduce to allow one-half of increase requested, to permit some salary adjustment and step increases. This would still provide for an increase of \$3,895.				\$21,076	\$17,181	\$3,89
2613	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.				208,512	208,122	39
<u>Business Tax (FCO)</u>								
2618	001	Permanent Salaries - Misc. • The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.				2,335,265	2,268,926	*

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: TTX - Treasurer/Tax Collector

Page No.	Object	Account Title	Position/ Equipment		Number		Amount		Savings
			Number	From	To	From	To		
1630	001	Senior Account Clerk	1632	1	0	\$26,745	\$0	\$26,745	

The Budget Analyst's Management Audit had recommended that the Department hire new accounting staff to relieve auditors doing administrative work. The proposed increase in staff addresses this recommendation. However, the Department had previously reported that six new positions were previously approved to correct the previous Budget Analyst documented inefficiencies.

Delete one 1632 Senior Account Clerk position for the Accounting Unit within the Business Tax Section. The Budget Analyst is currently conducting an update of the earlier Management Audit. If this Audit determines that this position is warranted, the Budget Analyst would recommend approval to the Board of Supervisors of a Treasurer/Tax Collector supplemental appropriation request which included this position. The Budget Analyst's recommendation above would still allow for three other positions to be created within this Section, including two 1652 Senior Accountants and one 1630 Account Clerk to be assigned to a new audit team to focus on Hotel Taxes.

In total, in addition to the 46 upward reclassifications and substitutions, our recommendations will provide for an increase of eight new positions of the total of 11 new positions requested by the Treasurer/Tax Collector.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: TTX - Treasurer/Tax Collector

Page No.	Object	Account Title	Position/ Equipment			Number		Amount		Savings
			Number	From	To	From	To			
2630	001	Senior Accountant	1652	1	0	\$39,594		\$0	\$39,594	

The Budget Analyst's Management Audit had recommended that the Department hire new accounting staff to relieve auditors doing administrative work. The proposed increase in staff addresses this recommendation. However, the Department had previously reported that six new positions were previously approved to correct the previous Budget Analyst documented inefficiencies.

Delete one 1652 Senior Accountant position for the Accounting Unit within the Business Tax Section. The Budget Analyst is currently conducting an update of the earlier Management Audit. If this Audit determines that this position is warranted, the Budget Analyst would recommend approval to the Board of Supervisors of a Treasurer/Tax Collector supplemental appropriation request which included this position. The Budget Analyst's recommendation above would still allow for three other positions to be created within this Section, including two 1652 Senior Accountants and one 1630 Account Clerk to be assigned to a new audit team to focus on Hotel Taxes.

In total, in addition to the 46 upward reclassifications and substitutions, our recommendations will provide for an increase of eight new positions of the total of 11 new positions requested by the Treasurer/Tax Collector.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: TTX - Treasurer/Tax Collector

Page			Position/ Equipment	Number		Amount		
No.	Object	Account Title	Number	From	To	From	To	Savings
618	013	Mandatory Fringe Benefits				\$571,127	\$554,808	\$16,319

Corresponds to reduction in salaries.

Taxpayer Assistance (FCQ)

619	001	Permanent Salaries-Misc.				508,865	504,333	*
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* The recommended reduction in Permanent Salaries-Misc. is the total of the following specific recommendations regarding individual classifications.

632	001	Chief Clerk	1410	1	0.75	45,318	40,786	4,532
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Reduce the amount budgeted for one new 1410 Chief Clerk for the Taxpayer Assistance Unit from 1.0 FTE to .75 FTE, which is consistent with a start date of October 1, 1998 for the other new positions requested by the Treasurer/Tax Collector.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: TTX - Treasurer/Tax Collector

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
2619	005	Temporary Salaries - Misc. Reduce to current year budgeted amount. Any need for additional Temporary Salary costs for Licensing activities, which were previously budgeted in the Taxpayer Assistance Unit, are now included in the Property Tax Division.				\$54,000	\$25,000	\$29,000
2619	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.				130,922	126,971	3,951

TTX - Delinquent Revenue (FCS)

2620	001	Permanent Salaries - Misc. * The recommended reduction in Permanent Salaries-Misc. is the total of the following specific recommendations regarding individual classifications.				1,813,626	1,774,300	39,326
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RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: TTX - Treasurer/Tax Collector

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
2633	001	Principal Clerk	1408	1	0	\$39,326	0	\$39,326
		Delete one 1408 Principal Clerk in the Bureau of Delinquent Revenue within the Department. This proposed new position is not justified at this time. The Budget Analyst is currently conducting an update of an earlier Management Audit. If this Audit determines that this position is warranted, the Budget Analyst would recommend approval to the Board of Supervisors of a Treasurer Tax Collector supplemental appropriation request which included this position. The Budget Analyst's recommendation above would still allow for an increase of eight new positions of the total of 11 new positions requested by the Treasurer Tax Collector.						
2620	013	Mandatory Fringe Benefits				454,045	\$444,701	9,344
		Corresponds to reduction in salaries.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: TTX - Treasurer/Tax Collector

Page			Position/ Equipment	Number		Amount		
No.	Object	Account Title	Number	From	To	From	To	Savings
2620	035	Other Current Expenses				\$55,013	\$51,300	\$3,71
		Reduce to reflect amount contained in the line item explanations. Even with reduction, the amount of \$51,300 which we are recommending is \$15,741, or 44 percent more than the FY 1997-98 revised budgeted amount.						
<u>Departmental Management (FEG)</u>								
2623	001	Permanent Salaries- Misc.				1,135,024	1,125,948	-
		• The recommended reduction in Permanent Salaries-Misc. is the total of the following specific recommendations regarding individual classifications.						
2635	001	Administrator I	1021	1	0.75	36,305	27,229	9,07
		Reduce the amount budgeted for one new 1021 Administrator I from 1.0 FTE to .75 FTE, which is consistent with a start date of October 1, 1998 for the other new positions requested by the Treasurer/Tax Collector.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: TTX - Treasurer/Tax Collector

Page No.	Object	Account Title	Position/ Equipment		Number		Amount		Savings
			Number	From	To	From	To		
523	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.					\$245,040	\$242,862	\$2,178
2623	021	Travel Reduce to permit a 50 percent increase in Management's Travel budget.					5,000	3,000	2,000
2623	027	Professional & Specialized Services Reduce to permit \$15,000 of additional expenditures for upgrades of existing software. Current budget includes no funds for Professional & Specialized Services.					20,000	15,000	5,000
2623	060	Equipment Purchase * The recommended reduction in equipment is the total of the following specific recommendations.					630,032	567,762	*

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: TTX - Treasurer/Tax Collector

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
2646	060	Office Equipment	6097			\$62,270	\$49,816	\$12,45
		Reduction to unspecified office equipment budget by 20 percent based on identification of reduced need for Departments that are moving back into City Hall. Approval of the balance of \$49,816 is a policy matter for the Board of Supervisors.						
2646	060	System Furniture Unit	SF001N			567,762	546,012	21,75
		To reduce the unit price by \$250 from \$6,526 to \$6,276.						

Systems Project

2623	060	Equipment Purchase				504,000	484,000	*
		* The recommended reduction in equipment is the total of the following specific recommendations.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: TTX - Treasurer/Tax Collector

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
2646	060	Imaging Systems	TRO52	1	0	\$20,000	0	\$20,000
		To delete \$20,000 for a new document imaging system. The proposed reduction still provides \$484,000 of new equipment purchases for the Management Division of the Department.						
Total Recommended Reductions								\$252,617

BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY

Department: CON CONTROLLER

Budget Volume: VI
Budget Page: 2379

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$13,536,718	\$14,771,749	\$1,235,031	9.1 %
Other Department Revenue				-
Recoveries	1,218,632	1,693,340	474,708	39.0
Dept. General Fund Revenue	398,500	323,500	(75,000)	-18.8
Supplemental Appropriations				-
Total Sources	\$15,153,850	\$16,788,589	\$1,634,739	10.8 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$15,153,850	\$16,788,589	\$1,634,739	10.8 %
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	\$15,153,850	\$16,788,589	\$1,634,739	10.8 %
Supplemental Appropriations				-
Total Uses	\$15,153,850	\$16,788,589	\$1,634,739	10.8 %
Mayor's Listed Positions:				
Permanent	156.00	161.50	5.50	3.5 %
Temporary	0.02	0.44	0.42	2100.0
Attrition Savings	(7.73)	(7.86)	(0.13)	-1.7
Subtotal, Mayor's Budget	148.29	154.08	5.79	3.9 %
Adjustments (FTE):				
Overtime	1.48	1.47	(0.01)	-0.7 %
Supplemental Appropriations				-
Other Adjustments	(4.20)	(4.11)	0.09	2.3
Total FTE	145.57	151.44	5.87	4.0 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: CON - CONTROLLER

Financial Data:

The Controller's proposed \$16,788,589 budget for FY 1998-99 is \$1,634,739 or 10.8 percent more than the original FY 1997-98 budget of \$ 15,153,850. The net increase from the revised FY 1997-98 budget to the FY 1998-99 budget is \$1,615,106 or 10.6 percent.

Summary of Budgeted Activities:

<u>Total Expenditures</u>	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Management, Analysis, and Reports	\$2,333,931	\$2,424,186	\$3,097,666
Accounting Operations and Systems	6,181,721	6,145,771	6,322,200
Audits	1,849,619	1,845,446	2,319,040
Payroll and Personnel Services	<u>4,788,579</u>	<u>4,758,080</u>	<u>5,049,683</u>
Total Expenditures	\$15,153,850	\$15,173,483	\$16,788,589
Recoveries	<u>(1,218,632)</u>	<u>(1,218,632)</u>	<u>(1,693,340)</u>
Net Operating Expenditures	\$13,935,218	\$13,954,851	\$15,095,249

Departmental Expenditure Changes

Citywide Performance Audit Project

At the Mayor's request, the Controller's Office has included a Citywide Performance Audit Project Appropriation in the FY 1998-99 budget for conducting performance audits of all City departments. The Controller's Audits Division has developed a schedule to complete these audits over the next four years. The FY 1998-99 budget provides for initial hiring of additional performance auditors and contracting out for a portion of the performance audit effort.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **CON - CONTROLLER**

Expenditures added to the Controller's budget for this purpose include:

Permanent Salaries

New Positions

1 - 1684 Associate Auditor (.75 FTE)	\$44,866
2 - 1801 Supervising Performance Auditors (.5 FTE)	58,204
1 - 1805 Associate Performance Auditor (.5 FTE)	27,797
1 - 1842 Management Assistant (.5 FTE)	<u>35,494</u>
5 - Total new positions (3 FTE)	\$166,361

Mandatory Fringe Benefits	<u>38,804</u>
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Total	\$ 205,165
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Professional Services	<u>194,835</u>
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Total Increase to Performance Audit Funding	\$ 400,000
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In addition to the Controller's Citywide Performance Audit Project, the Mayor's recommended budget has included a \$200,000 increase to the Board of Supervisors budget in order to expand performance auditing by the Budget Analyst. This additional level of funding will provide approximately 2,470 professional staff hours that will be added to current levels of performance auditing activities. For calendar year 1997, the Budget Analyst expended approximately 2,500 professional staff hours for performance audit functions.

Other expenditure changes are described below, by program.

Management, Budget and Analysis Program

Five position substitutions, that delete five positions and create five positions, are requested for a net increased salary cost of \$55,791. All positions are budgeted at the top step. One new 1368 Special Assistant IX position (0.5 FTE) is created for six months, with an increase in salary costs of \$22,950 in FY 1998-99 to expand the Controller's performance measurement efforts on behalf of City Departments. The full year cost of the new 1368 position at the top salary step is \$55,914.

The Controller also requests an increase of \$19,000 (from \$1,000 to \$20,000) in Temporary Salaries to conduct telephone interviews and compile data for the Citizen Survey and assist in applying departmental performance measures.

All Departmental equipment purchases have been consolidated within this program. Total requested equipment purchases for the Controller amount to \$712,970 in FY 1998-99, an increase of \$583,570

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: CON - CONTROLLER

over FY 1997-98. The Controller is requesting 35 new personal computers, software upgrades and two printers at a total cost of \$192,000. In addition, the Controller is requesting 95 Systems Furniture Units in connection with the move back to City Hall at a total cost of \$619,970. Mail services and reproduction costs have increased by \$12,453 to reflect actual expenditures in this area. Also, \$6,000 is requested for intern costs under the Mayor's Youth Works Program.

Accounting Operations and Systems Division

Position substitutions include the deletion of five positions and the creation of five new positions, including a Senior Account Clerk and Principal Accountant which are requested to reflect Accounting staffing requirements. Total salary costs increase by \$40,707 in FY 1998-99 because of these substitutions. All position substitutions are at the top salary step.

Audits Division

In addition to the Citywide Performance Audit Project described above, the Controller requests an upward position substitution that deletes a 1686 Supervising Auditor Position and creates a 1688 Chief Auditor at an increased annual cost of \$12,815 in FY 1998-99 (all salaries are budgeted at the top step). Two new 1684 Associate Auditor positions are requested to provide financial auditing services to the Health Department. Salary costs of \$122,566 annually, plus mandatory fringe benefits are offset by increased interdepartmental recoveries.

Payroll and Personnel Services Division

One position is transferred to the Department of Telecommunications and Technology and total salaries are reduced by \$43,482. An additional \$200,000 for professional services, offset by increased interdepartmental recoveries, is requested to provide data entry services to the Department of Building Inspection.

The FY 1997-98 budget continues the Time-Entry Scheduling System (TSS) Project. According to the Controller, once departments are fully operational, the central TSS system can be managed by one Management Information Systems Manager and one Payroll Analyst to maintain and update pay rules to reflect current provisions of the various MOUs with union groups. The annualization of two new positions added for a partial year for this project during FY 1997-98 results in increased salary costs of approximately \$43,000 in FY 1998-99.

The Mayor's budget provides for an increase of \$1,634,739. Our recommended reductions, which total \$98,790 would still allow an increase of \$1,535,949 or 10.1% in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS

1998-99

Department: CON - CONTROLLER

Page			Position/ Equipment	Number		Amount			
No.	Object	Account Title	Number	From	To	From	To	Savings	
<u>Payroll and Personnel Services (FDC)</u>									
2382	011	Overtime				\$ 75,000	\$ 53,000	\$	22,000
		Decrease overtime to more closely reflect 1997-98 expenditure rates adjusted for salary increases.							
<u>Accounting Operations and Systems (FDG)</u>									
2384	011	Overtime				45,253	31,253		14,000
		Decrease overtime to more closely reflect 1997-98 expenditure rates adjusted for salary increases.							
<u>Audits</u>									
2386	001	Permanent Salaries - Misc.				1,433,529	1,413,529		*
		The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations							
2393	001	Attrition Savings	9993M			(47,430)	(67,430)		20,000
		Increase Attrition Savings to more closely reflect 1997-98 expenditure rates adjusted for salary increases.							
2386	013	Mandatory Fringe Benefits				322,747	318,347		4,400
		Corresponds to Reduction in salaries.							

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS

1998-99

Department: CON - CONTROLLER

Page No.	Object	Account Title	Position/ Equipment Number	Number From To	Amount From	To	Savings
<u>Management, Budget and Analysis (FEB)</u>							
2388	001	Permanent Salaries Misc.			\$1,591,160	\$1,579,160	-
		The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations					
2396	001	Attrition Savings	9993M		(55,715)	(67,715)	\$12,000
		Increase Attrition Savings to more closely reflect 1997-98 expenditure rates adjusted for salary increases.					
2388	013	Mandatory Fringe Benefits			369,039	366,399	2,640
		Corresponds to Reduction in salaries.					
2388	060	Equipment Purchase			619,970	596,220	-
		* The recommended reduction in equipment is the total of the following specific recommendations.					

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: CON - CONTROLLER

Page No.	Object	Account Title	Position/ Equipment Number	Number		Amount		Savings
				From	To	From	To	
00	060	Systems Furniture	SF001N	95	95	\$619,970	\$596,220	\$23,750

Reduction to unspecified office equipment budget by 20 percent based on identification of reduced need for Departments that are moving back into City Hall. Approval of the balance of \$596,220 is a policy matter for the Board of Supervisors.

Total Recommended Reductions

\$ 98,790

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: ASR ASSESSOR

**Budget Volume: VI
Budget Page: 2326**

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$6,436,477	\$7,925,171	\$1,488,694	23.1 %
Other Department Revenue	1,067,800	2,154,898	1,067,098	98.1
Dept. General Fund Revenue	1,453,000	1,453,000		
Supplemental Appropriations				-
Total Sources	\$8,977,277	\$11,533,069	\$2,555,792	28.5 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$8,977,277	\$11,533,069	\$2,555,792	28.5 %
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	\$8,977,277	\$11,533,069	\$2,555,792	28.5 %
Supplemental Appropriations				-
Total Uses	\$8,977,277	\$11,533,069	\$2,555,792	28.5 %
Mayor's Listed Positions:				
Permanent	140.00	140.50	0.50	0.4 %
Temporary	0.21	0.67	0.46	219.0
Attrition Savings	(7.10)	(7.46)	(0.36)	-5.1
Project Positions	(8.00)		8.00	100.0
Subtotal, Mayor's Budget	125.11	133.71	8.60	6.9 %
Adjustments (FTE):				
Overtime	0.01	0.01		- %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	125.12	133.72	8.60	6.9 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: ASR - Assessor/ Recorder

Financial Data:

The Assessor/Recorder's proposed \$11,533,069 budget for FY 1998-99 is \$2,555,792 or 28.5 percent more than the original FY 1997-98 budget of \$8,977,277. The net increase from the revised FY 1997-98 budget to the proposed FY 1998-99 budget is \$2,505,557 or 27.9 percent.

Summary of Budgeted Activities:

	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Recorder	\$1,876,342	\$1,917,987	\$ 1,839,001
Real Property	2,915,656	2,917,107	2,936,697
Personal Property	2,129,786	2,131,237	2,086,544
Technical Services	554,948	556,108	567,228
Tax Assessment	<u>1,488,046</u>	<u>1,491,164</u>	<u>2,840,599</u>
Subtotal	\$8,964,778	\$9,013,603	\$10,270,069
 Viacom Litigation	 \$ 0	 \$ 0	 \$ 250,000
AB818 Impact System	<u>12,499</u>	<u>13,909</u>	<u>1,013,000</u>
Subtotal	\$ 12,499	\$ 13,909	\$1,263,000
 Total	 \$8,977,277	 \$9,027,512	 \$11,533,069

Department Revenues:

The Assessor/Recorder's projected revenue of \$3,607,898 for FY 1998-99 represents an increase of \$1,067,098 or 42.0 percent. The increase in revenue is attributable to anticipated increases in Document Storage and Conversion fees totaling \$38,000 and a fund balance for this program totaling \$16,898, plus revenues totaling \$1,013,000 attributable to AB818, the State's Property Tax Loan Program, which is the City's loan/grant amount for FY 1998-99, and a reduction of \$800 in Vital Health and Statistics fees.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **ASR - Assessor/Recorder**

Department Expenditures:

The proposed budget increase of \$2,555,792 includes an increase of \$1,780,474, or 69.7 percent of the total increase. This non-personnel increase reflects the net affect of including \$2,091,802, in expenditures for: (1) new Systems Furniture for the Department's return to City Hall (\$828,802), (2) the AB818 State Property Tax Loan Program (\$1,013,000) and (3) the professional costs associated with the litigation between Viacom and the City (\$250,000), and decreases in various other non-personnel costs. Prior to the FY 1998-99 proposed budget, budgeted expenditures for AB818 and Viacom Litigation were not reflected in the proposed budget document.

The remaining \$775,318 is primarily attributable to including \$ 537,851 for eight limited tenure positions, related to AB 818, that are now reflected in the FY 1998-99 proposed budget. These positions are continued from FY 1997-98 and are fully funded by a State Property Tax Loan Program, which is administered by the State Department of Finance. The remaining \$237,467 reflects the net changes in salary savings, step adjustments, and reclassifications which have already been approved by the Department of Human Resources.

The equipment request for the Assessor/Recorder's Office totals \$1,273,841. The following list details the cost of the equipment requested.

Document Storage and Conversion

• Microfilm Readers (10 replacement machines)	\$40,000
• Microfilm Storage Cabinet (3 new)	5,397
• Data Processing Equipment (scanning equipment to provide the required enhancements for the Document Storage and Conversion Program)	<u>84,500</u>
Subtotal	\$129,897

Tax Assessment

Office Equipment	\$245,142
Systems Furniture (127 stations)	<u>828,802</u>
Subtotal	\$1,073,944

AB818

Personal Computers (35 new)	<u>\$70,000</u>
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Total Equipment Request	\$1,273,841
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The proposed equipment request for the Document Storage and Conversion program (\$129,897) would replace existing microfilm readers that are 12 years old and must be repaired continuously, as

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: ASR - Assessor/Recorder

well as three storage cabinets that would be used to house the microfilm after the documents have been converted from their original form (full-size paper documents). Also included in the request is new data processing equipment to provide the required enhancements and maintain the Assessor/Recorder's updated Document Storage and Conversion System. Resources to provide the funding for the replacement of the Microfilm Readers has been generated by fees associated with the Document Storage and Conversion Project. As such, the Budget Analyst recommends approval of the request to replace the existing Microfilm Readers.

The proposed equipment request for the Tax Assessment program (\$1,073,944) would provide funding to purchase office equipment and 127 new work stations (systems furniture) associated with the Assessor/Recorder's move back to City Hall upon the completion of the current renovation project. Also included is proposed funding for \$245,142 in unspecified office equipment which the Budget Analyst recommends be deleted.

The Budget Analyst also recommends reserving the request for systems furniture, totaling \$828,802 until the Department is able to provide sufficient details to support this request.

The proposed equipment request for the AB818 Property Tax Loan program (\$70,000) would fund the purchase of 35 personal computers for employees of the Assessor/Recorder's Office. The purchase of these personal computers would allow the Assessor/Recorder to update some of its computer equipment and integrate the personal computers into the new Assessor/Recorder-Controller Tracking System. The purchase of these personal computers would be funded with the AB818 revenue provided by the State. As such, the Budget Analyst recommends approval of this request.

Comments:

The proposed budget continues efforts that were initiated as a result of the AB 818, three-year loan program funded through the State Department of Finance. The \$1,013,000 in funding has been approved and is anticipated from AB 818 revenues for FY 1998-99. This will allow the Assessor/Recorder to continue to implement the Integrated Property Assessor Controller Tax Collector System (INPACT) to streamline and facilitate the assessment collections, and refund activities associated with Property Taxes. As provided in the legislation authorizing the State Loan program, the loans are forgiven by the State as long as the County receiving the funds meets the agreed upon performance targets, negotiated as part of the contract with the State.

Originally, the AB818 State Property Tax Loan Program was scheduled to sunset on June 30, 1999. The Assessor/Recorder's Office advises that the State has approved a two-year extension of the AB818 program. As such, the eight limited tenure positions and non-personnel program costs associated with the Program will be offset, fully, by the loan/grant, from the State Department of Finance, through June 30, 1999. A decision to retain the limited tenure positions, and related non-

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: ASR - Assessor/Recorder

personnel costs, beyond the State's agreement to fund the Property Tax Loan program, would require the allocation of City General Fund resources.

The Assessor/Recorder's Office has included 8.0 grant-funded positions with annual salary totaling \$436,051. These salaries, mandatory fringe benefits and other related costs are fully funded from the grant revenues.

The Mayor's budget recommends an increase of \$2,555,792. Our recommended reductions, which total \$80,778, would still provide for an increase of \$2,475,014 or 27.6 percent.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: ASR Assessor/Recorder

Page			Position/						
No.	Object	Account Title	Equipment	Number		Amount			Savings
			Number	From	To	From	To		
<u>Tax Assessment (FEH)</u>									
2340	060	Equipment Purchase				\$1,073,944	\$993,166	*	
		* The recommended reduction in equipment is the total of the following specific recommendations.							
2352		Office Equipment	6098			245,142	196,114	\$49,028	
		Reduction to unspecified office equipment budget by 20 percent based on identification of reduced need for Departments that are moving back into City Hall. Approval of the balance of \$196,114 is a policy matter for the Board of Supervisors.							

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: ASR Assessor/Recorder

Page No.	Object	Account Title	Position/ Equipment Number	Number		Amount		Savings
				From	To	From	To	
2352		Systems Furniture	SF001N	127	127	\$828,802	\$797,052	\$31,750
		To reduce the unit price by \$250 from \$6,526 to \$6,276.						
Total Recommended Reductions								\$80,778

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: CPC CITY PLANNING

**Budget Volume:
Budget Page:**

**VI
2401**

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$1,355,881	\$1,641,021	\$284,140	20.9 %
Other Department Revenue	481,848	490,533	8,685	1.8
Recoveries	477,082	413,019	(64,063)	-13.4
Dept. General Fund Revenue	4,903,310	6,332,795	1,429,485	29.2
Supplemental Appropriations				-
Total Sources	\$7,219,121	\$8,877,368	\$1,658,247	23.0 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$7,219,121	\$8,877,368	\$1,658,247	23.0 %
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	\$7,219,121	\$8,877,368	\$1,658,247	23.0 %
Supplemental Appropriations				-
Total Uses	\$7,219,121	\$8,877,368	\$1,658,247	23.0 %
Mayor's Listed Positions:				
Permanent	113.75	118.93	5.18	4.6 %
Attrition Savings	(2.72)	(2.08)	0.64	23.5
Project Positions		(4.00)	(4.00)	-
Subtotal, Mayor's Budget	111.03	112.85	1.82	1.6 %
Adjustments (FTE):				
Overtime	0.01	0.01		- %
Supplemental Appropriations				-
Other Adjustments	(20.84)		20.84	100.0
Total FTE	90.20	112.86	22.66	25.1 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **CPC - City Planning**

Financial Data:

The Department of City Planning's proposed \$8,877,368 budget for FY 1998-99 is \$1,658,247 or 23.0 percent more than the original FY 1997-98 budget of \$7,219,121. The net increase from the revised FY 1997-98 budget to the proposed FY 1998-99 budget is \$1,495,038 or 20.3 percent.

Summary of Budgeted Activities:

<u>Activity</u>	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year 1998-99</u>
	<u>Original</u>	<u>Revised</u>	
Long-Range Planning	\$1,547,891	\$1,704,043	\$2,357,317
Current Planning	4,653,023	4,654,858	4,993,744
Administration/Planning	<u>1,018,207</u>	<u>1,023,429</u>	<u>1,526,307</u>
Totals	\$7,219,121	\$7,382,330	\$8,877,368

Department Revenue and Fee Changes

The Department's budgeted fee revenues for FY 1998-99 are \$6,332,795, which is \$1,429,485 or 29.2 percent more than the original FY 1997-98 budget of \$4,903,310.

The Department anticipates receiving \$490,533 in grants from the Transportation Authority, compared to the actual grant of \$481,848 from the Transportation Authority for FY 1997-98.

The Department's budgeted General Fund Unallocated support for FY 1998-99 is \$1,641,021, which is \$284,140 or 20.9% more than the original FY 1997-98 support amount of \$1,356,881.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **CPC - City Planning**

Department Personnel Changes

The City Planning Department's budget contains a total of five new positions for FY 1998-99, including four Planner III positions funded through work orders from Non General Fund Departments to review Planning Commission cases and permit applications and one Planner IV position to simplify the General Plan. The Budget Analyst is recommending approval of one Planner III, Environmental position and three Planner II positions instead of the requested four Planner III positions. The Budget Analyst is recommending disapproval of the Planner IV position.

The City Planning Department's proposed new positions are as follows:

<u>Name</u>	<u>Classification</u>	<u>No. of Positions</u>	<u>Salary at Top Step</u>	<u>Annualized No. of Positions</u>	<u>Total Salaries</u>
<u>New Positions Requested</u>					
Planner IV	5294	1.00	\$71,305	1.00	\$71,305
Planner III	5291	<u>4.00</u>	<u>240,432</u>	<u>4.00</u>	<u>240,432</u>
Total Position Changes		5.00	\$311,737	5.00	\$311,737

The number of full-time equivalent listed positions, which take into account salary savings, temporary positions, project positions, and overtime increases by 22.66 FTEs, from 90.20 positions in FY 1997-98 to 112.86 positions in FY 1998-99. The increase in 22.66 FTEs is due primarily to the funding of 20.84 previously authorized but unfunded positions which would be funded by fees, but also by a 20.9 percent increase of General Fund Unallocated support in the amount of \$284,140. The proposed addition of 22.66 FTEs would result in the following personnel allocations, by program, for the City Planning Department:

<u>Program</u>	<u>FY 1997-98 Position Count</u>	<u>FY 1998-99 Position Count</u>	<u>Increase (Decrease)</u>
Long-Range Planning	15.64	27.84	12.20
Current Planning	70.84	75.21	4.37
Administration/Planning	<u>3.72</u>	<u>9.81</u>	<u>6.09</u>
Totals	90.20	112.86	22.66

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS

1998-99

Department: CPC - City Planning

Comments

1. The Department's budget includes 2.33 grant-funded positions with annual salaries totaling \$130,561. These salaries, mandatory fringe benefits, and other related costs are fully funded from the grant revenues.

2. For FY 1997-98, based on the Controller's Monthly Revenue Report as of the end of May 1998, the Department of City Planning had collected fee revenues of \$6,391,837 compared to budgeted fee revenues of \$4,903,355, resulting in a positive revenue variance of \$1,488,527, with the month of June still remaining. Total projected fee revenues for FY 1997-98, assuming the same fee revenues in June as in May of 1998, would be \$6,867,650, which would result in a positive revenue variance of \$1,964,340 for FY 1997-98, resulting in a 40 percent increase over budget. Actual fee revenues are estimated to exceed budgeted fee revenues in FY 1998-99 by at least \$500,000. The Director of Planning reports that the positive fee revenue variance is due to numerous factors, including a strong economy. The Director of Planning further reports that the Department intends to undertake a comprehensive review of all Department fees and the costs associated with the work needed to process fee-related cases and applications, and that the Department will present its analysis and recommendations to the Planning Commission by June 30, 1999.

3. The Mayor's budget provides for an increase of \$1,658,247. Our recommended reductions, which total \$313,598 would still allow an increase of \$1,344,649 or an increase of 18.6% in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: CPC - City Planning

Page			Position/ Equipment	<u>Number</u>		<u>Amount</u>		
<u>No.</u>	<u>Object</u>	<u>Account Title</u>	<u>Number</u>	<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	<u>Savings</u>
<u>Administration/Planning (FEF)</u>								
2412	029	Maintenance Services - Equipment				\$51,500	\$35,217	\$16,283
		Reduce to 1997-98 budget level adjusted by a cost of living factor for 1998-99.						
2412	040	Materials & Supplies				45,000	39,300	5,700
		Reduce to 1997-98 budget level adjusted by a cost of living factor for 1998-99.						
<u>Current Planning (FDP)</u>								
2411	001	Permanent Salaries - Misc.				3,790,909	3,719,604	*
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: CPC - City Planning

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
2417	001	Planner IV (Zoning)	5294N	1	0	\$71,305	0	\$71,305
		To delete a new position not sufficiently justified. There are presently three Planner IV (Zoning) positions in the Department. We are, however, recommending the approval of three new Planner II positions and one new Planner III, Environmental, position. Including our recommendation to approve four new positions and to approve funding for over 20 authorized but previously unfunded positions, our recommendations, in total, would result in the approval of 18.8 more FTEs for FY 1998-99 than the Department had in FY 1997-98.						
2411	013	Mandatory Fringe Benefits				901,836	\$884,723	17,113
		Corresponds to reduction in salaries.						

Long Range Planning (FAH)

2407	001	Permanent Salaries - Misc.				1,423,025	1,265,185	*
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: CPC - City Planning

Page			Position/ Equipment	Number		Amount		
No.	Object	Account Title	Number	From	To	From	To	Savings
2413	001	Attrition Savings	9993M			(\$28,253)	(\$186,094)	\$157,841
		<p>To reduce the Department's General Fund Unallocated support by the proposed FY 1998-99 increase of \$284,140 through this recommended increase to Attrition Savings (\$157,841), the previous deletion on the prior page of one Planner IV position (\$71,305), and the combined corresponding Mandatory Fringe Benefits sum of \$54,994. The proposed funding of \$284,140 would be used to fund a General Fund Simplification project, which is listed in the "Enhanced Budget" Section of the FY 1998-99 Work Program, which is in addition to all continuing and new projects in the "Base Budget" Section of the Work Program. Moreover, the "Base Budget" Section of the Work Program appears to allocate General Fund support to projects which could be funded through fee revenues. Actual fee revenues are estimated to exceed budgeted fee revenues in FY 1998-99 by at least \$500,000.</p> <p>Including our recommendation to approve four new positions and to approve funding for over 20 authorized but previously unfunded positions, our recommendations, in total, would result in the approval of 18.8 more FTEs for FY 1998-99 than the Department had in FY 1997-98.</p>						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: CPC - City Planning

Page No.	Object	Account Title	Position/ Equipment			Number		Amount		Savings
			Number	From	To	From	To	From	To	
2407	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.						\$323,239	\$285,358	\$37,881
2407	001	Permanent Salaries - Misc. * The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.						27,264	21,260	*
2414	001	Planner III	5291	4	0	218,092	0			218,092
	011	Planner III, Environmental	5298	0	1	0	60,108			(60,108)
	011	Planner II	5278	0	3	0	151,980			(151,980)
		As requested by the Department, we recommend the approval of one Planner III, Environmental, position and three new Planner II positions to substitute for four Planner III positions, at an annual savings of \$28,344 at the top step.								
2407	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.						45,679	44,208	1,471

Total Recommended Reductions

\$313,598

BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY

Department: PAB BOARD OF APPEALS

Budget Volume: III
Budget Page: 1198

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$245,584	\$267,879	\$22,295	9.1 %
Other Department Revenue				-
Dept. General Fund Revenue	49,000	49,000		-
Supplemental Appropriations				-
Total Sources	\$294,584	\$316,879	\$22,295	7.6 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$294,584	\$316,879	\$22,295	7.6 %
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	\$294,584	\$316,879	\$22,295	7.6 %
Supplemental Appropriations				-
Total Uses	\$294,584	\$316,879	\$22,295	7.6 %
Mayor's Listed Positions:				
Permanent	3.75	4.00	0.25	6.7 %
Temporary	0.17	0.17		-
Attrition Savings	(0.11)	(0.11)		-
Subtotal, Mayor's Budget	3.81	4.06	0.25	6.6 %
Adjustments (FTE):				
Overtime	0.05	0.05		- %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	3.86	4.11	0.25	6.5 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: PAB – Board of Appeals

Financial Data:

The Board of Appeals proposed \$316,879 budget for FY 1998-99 is \$22,295 or 7.6 percent more than the original FY 1997-98 budget of \$294,584. The net increase from the revised FY 1997-98 budget to the proposed budget is 20,671, or 7.0 percent.

Summary of Budgeted Activities:

	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Administration	\$294,584	\$296,208	\$316,879

Department Revenues:

The Board of Appeals revenues of \$49,000 for FY 1998-99 budget are unchanged from FY 1997-98 budgeted revenues. The revenues come from permit appeals filing fees.

Department Expenditures:

Salary expenditures have been increased by \$13,855 to reflect 1) the addition of 0.25 FTE to an existing 0.10 FTE 1426 Senior Clerk Typist position, at an increased annual cost of \$9,906 and 2) adjustments for miscellaneous step increases and adjustments to the cost of living allowance that account for \$3,949.

Comments:

The proposed budget would add 0.25 FTE, from 0.10 FTE to 0.35 FTE (from 4 to 14 hours per week) to the existing 0.10 FTE Classification 1426 Senior Clerk Typist position at an increased annual cost of \$9,906. According to the Department, from January to June of 1997, there were 78 appeals filed, while in the same six month period of 1998, there were 102 appeals filed, or an increase of 31 percent. The Department reports that the additional 0.25 hours from the 1426 Senior Clerk Typist would provide for additional clerical support during regular business hours to the existing 1.0 FTE Classification 1408 Principal Clerk in order to ensure the smooth processing of appeals.

The Mayor's budget provides for an increase of \$22,295. Our recommended reductions, which total \$4,200, would still allow an increase of \$18,095 or 6.1% in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: PAB - Permit Appeals Board

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
<u>Appeals Processing (BAH)</u>								
199	005	Temporary Salaries - Misc. To reflect actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.				\$7,692	\$5,692	\$2,000
199	035	Other Current Expenses Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.				9,874	7,874	2,000
199	060	Equipment Purchase * The recommended reduction in equipment is the total of the following specific recommendations.				4,800	4,600	*
201	060	HP Vectra Computers To adjust the amount requested to actual requirement.	PA002	2	2	4,800	4,600	200
Total Recommended Reductions							\$4,200	

BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY

Department: RNT RENT ARBITRATION BOARD

Budget Volume: IV
Budget Page: 1641

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated				- %
Other Department Revenue	\$2,188,639	\$2,333,797	\$145,158	6.6
Dept. General Fund Revenue				-
Supplemental Appropriations				-
Total Sources	\$2,188,639	\$2,333,797	\$145,158	6.6 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$2,188,639	\$2,333,797	\$145,158	6.6 %
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	\$2,188,639	\$2,333,797	\$145,158	6.6 %
Supplemental Appropriations				
Total Uses	\$2,188,639	\$2,333,797	\$145,158	6.6 %
Mayor's Listed Positions:				
Permanent	22.00	23.75	1.75	8.0 %
Temporary	0.97		(0.97)	-100.0
Attrition Savings	(1.33)	(0.49)	0.84	63.2
Subtotal, Mayor's Budget	21.64	23.26	1.62	7.5 %
Adjustments (FTE):				
Overtime				- %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	21.64	23.26	1.62	7.5 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **RNT - Rent Arbitration Board**

Financial Data:

The Rent Arbitration Board's proposed \$2,333,797 budget for FY 1998-99 is \$145,158 or 6.6 percent more than the original FY 1997-98 budget of \$2,188,639. The net increase from the revised FY 1997-98 budget to the proposed FY 1998-99 budget is \$119,297 or 5.4 percent.

Summary of Budgeted Activities:

	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-98</u>
Rent Board	<u>\$2,188,639</u>	<u>\$2,214,500</u>	<u>\$2,333,797</u>
TOTAL	\$2,188,639	\$2,214,500	\$2,333,797

Department Revenues:

All rental units in the City, with the exception of specific non-profit entities, residential care facilities, Section 8 housing and residential units constructed since June, 1979 are subject to the provisions of the Rent Arbitration Board (Rent Board). Currently, there are approximately 180,000 rental units in the City, including approximately 35,000 units which were brought under the jurisdiction of the Rent Board in 1995, with the passage of Proposition I. Proposition I removed the exemption for owner-occupied residential buildings with two to four units and brought these units under the jurisdiction of the Rent Board.

The activities of the Rent Board are funded entirely through the collection of fees. The current annual fee is \$10 for each rental unit and \$5 for each residential hotel unit. This annual fee was last increased in 1993 and is not projected to increase in FY 1998-99.

The proposed FY 1998-99 budget includes \$1,870,000 of revenues from the annual Rent Board fee, which is comparable to the current year actual level of collection. Together with the other miscellaneous fees of \$40,576 that the Rent Board collects, and \$423,221 that the Rent Board anticipates carrying forward from FY 1997-98, such fees will cover department expenses in FY 1998-99.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **RNT - Rent Arbitration Board**

Department Personnel Changes:

The proposed FY 1998-99 budget includes the addition of two new permanent 8162 Hearing Officers.

The Rent Board's budget also includes the substitution of one 1424 Clerk Typist (\$36,169) and two Senior Clerk Typists (\$79,241) for three 1446 Secretary II's at an additional annual cost of \$19,962 in salaries and benefits. These position substitutions have been approved by staff of the Human Resources Department.

Department Expenditures:

The Rent Board is proposing to increase their materials and supplies budget by \$25,799 in order to purchase 22 chairs and upgrade their computer software. The Rent Board is also proposing to replace their current copier which has outlived its useful life, and purchase an additional copier which is necessitated by their increased workload for a total cost of \$14,640. In addition, the Department is proposing to purchase eight computers to replace outdated machines and one web server, for a total cost of \$36,800. The web server will allow the Rent Board to make their database accessible to the public via their web site.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: RNT - Rent Arbitration Board

Page			Position/ Equipment	Number		Amount		
No.	Object	Account Title	Number	From	To	From	To	Savings
<u>Rent Board (CCC)</u>								
1645	001	Rent Board Hearing Officer	8162 N	1.75	1	\$96,883	\$55,362	\$41,5
1645	001	Rent Board Hearing Officer	8162 L	0	0.75	0	41,521	(41.52)

We recommend the approval of two new 8162 Rent Board Hearing Officers, but only one on a permanent basis with the other on a Limited Tenure basis. We are recommending that the Department submit a report to the Board of Supervisors prior to June of 2000 regarding the Limited Tenure position since we believe the backlog now being experienced by the Department will be reduced and the Limited Tenure position may not be justified at that time.

Total Recommended Reductions

BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY

Department: CSC CIVIL SERVICE COMMISSION

Budget Volume: VI
Budget Page: 2423

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$578,838	\$597,702	\$18,864	3.3 %
Other Department Revenue				-
Recoveries		101,945		-
Dept. General Fund Revenue				-
Supplemental Appropriations				-
Total Sources	\$578,838	\$699,647	\$120,809	20.9 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$578,838	\$699,647	\$120,809	20.9 %
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	\$578,838	\$699,647	\$120,809	20.9 %
Supplemental Appropriations				-
Total Uses	\$578,838	\$699,647	\$120,809	20.9 %
Mayor's Listed Positions:				
Permanent	5.00	7.00	2.00	40.0 %
Temporary	0.07	0.07		
Attrition Savings		(0.01)	(0.01)	-
Subtotal, Mayor's Budget	5.07	7.06	1.99	39.3 %
Adjustments (FTE):				
Overtime				- %
Supplemental Appropriations				-
Other Adjustments	1.00		(1.00)	-100.0
Total FTE	6.07	7.06	0.99	16.3 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **CSC – Civil Service Commission**

Financial Data:

The Civil Service Commission's proposed \$699,647 budget for FY 1998-99 is \$120,809 or 20.9 percent more than the original FY 1997-98 budget of \$578,838. The net increase from the revised FY 1998-99 budget to the proposed FY 1998-99 budget is \$117,662 or 20.2 percent.

Summary of Budgeted Activities:

	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Civil Service Commission	\$578,838	\$581,985	\$699,647

Department Expenditures:

The Civil Service Commission budget reflects the reassignment of one 1248 Assistant Division Manager from the Human Resources Department to the Civil Service Commission, and the substitution of this position for one 1374 Special Assistant XV, for a total cost of \$102,076 in salaries and fringe benefits. The reclassification will reduce the cost for this position by \$1,924 in salaries and fringe benefits. The proposed budget has also been changed to increase the authorized position count by one FTE over the original FY 1997-98 budget due to a negative number in the step adjustments line item.

Recommendations:

None.

BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY

Department: HRD HUMAN RESOURCES

Budget Volume: VI
Budget Page: 2432

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$15,245,715	\$18,718,192	\$3,472,477	22.8 %
Other Department Revenue		191,000	191,000	-
Recoveries	43,587,410	51,057,246	7,469,836	17.1
Dept. General Fund Revenue				-
Supplemental Appropriations	687,614		(687,614)	-100.0
Total Sources	\$59,520,739	\$69,966,438	\$10,445,699	17.5 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$58,833,125	\$69,966,438	\$11,133,313	18.9 %
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	\$58,833,125	\$69,966,438	\$11,133,313	18.9 %
Supplemental Appropriations	687,614		(687,614)	-100.0
Total Uses	\$59,520,739	\$69,966,438	\$10,445,699	17.5 %
Mayor's Listed Positions:				
Permanent	197.97	209.36	11.39	5.8 %
Temporary	4.87	8.60	3.73	76.6
Attrition Savings	(13.34)	(13.57)	(0.23)	-1.7
Project Positions	(4.00)	(4.00)		-
Subtotal, Mayor's Budget	185.50	200.39	14.89	8.0 %
Adjustments (FTE):				
Overtime	0.01	0.01		- %
Supplemental Appropriations	0.49		(0.49)	-100.0
Other Adjustments				-
Total FTE	186.00	200.40	14.40	7.7 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: HRD - Human Resources Department

Financial Data:

The Human Resources Department's proposed \$69,966,438 budget for FY 1998-99 is \$11,133,313 or 18.9 percent more than the original FY 1997-98 budget of \$58,833,125. The net increase from the revised FY 1997-98 budget to the proposed budget is \$11,554,033 or 19.8 percent.

Summary of Budgeted Activities:

	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Administration	\$3,305,626	\$3,347,617	\$3,415,849
Employee Relations	1,466,831	1,468,432	1,472,278
Health Service System	3,267,732	3,267,732	4,306,991
Human Resources Operations	3,667,723	3,707,048	3,357,631
Management & Employee Dev.	731,713	734,113	642,174
Management & Employee Dev. W/O	364,202	364,202	432,716
Management Information Sys.	773,987	773,987	6,041,362
Workers Compensation	45,255,311	45,223,474	50,297,437
Departmental Transfer Adjustment	0	(474,200)	0
TOTAL	\$58,833,125	\$58,412,405	\$69,966,438

Department Personnel:

The FY 1998-99 budget for the Human Resources Department shows the following increases in positions:

Program	Type of Position Change	Increase/ (Decrease) in FTE
Management Information System	Limited Duration Positions	4.5
Workers Compensation	Continuing Positions approved in FY 1997-98	.5
Health Service System	New Positions	6.75
	FTE Change	11.75

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: HRD - Human Resources Department

- The Management Information System program is proposing the addition of 4.5 limited tenure FTEs for an increase in salaries and benefits of \$312,149. These positions are requested to assist with the implementation of the Department's new human resources management information system.
- The Workers Compensation Division is continuing one 1372 Special Assistant XIII and one 1373 Special Assistant XIV who were approved in FY 1997-98 and budgeted at .75 FTE, for an increase of .5 FTE in FY 1998-99 and an increase in salaries and benefits of \$55,066.
- The Health Services System is proposing to hire six 1209 Benefit Technicians to expedite the processing of medical claims and one 1823 Senior Administrative Analyst to conduct financial/rate analyses and develop policies and procedures, for an increase in salaries and benefits of \$307,180.

Other proposed personnel increases include \$191,000 for temporary salaries in the Employee Relations program to cover the costs of temporary staff to assist with implementing provisions of the recently approved memoranda of understanding including apprenticeship programs for all building trades, a management pay for performance system, a pay equity study, and increased grievance processing.

Department Expenditures:

Workers Compensation

Workers compensation insurance costs comprise the most significant increase in the proposed budget, rising by \$4,575,593 from a budgeted \$37,561,332 in FY 1997-98 to \$42,136,925 in FY 1998-99. This cost is recovered from all other City departments. Other increases are proposed for the State's fraud assessment program (where the payment amount is determined by formula by the State), expected increases in third party administrator's fees, and an expected State allowed increase in medical costs for workers compensation cases.

Management Information Systems Division

Expenditures in this program are proposed to increase by \$3,391,611, most of which is related to implementation of a new City-wide human resource management information system.

Health Services System

The Department is proposing purchase of an interactive voice response system which is an automated system that would allow members and claimants to obtain information from an automated system on the status of their claims or membership information.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: HRD - Human Resources Department

Management & Employee Development

\$54,300 in additional funding is proposed for increased training of City employees.

Administration

\$335,009 in additional funding is proposed for increased testing related to eliminating provisional employees. The funds would be used for examination boards, examination space rental, test proctors, and reproduction, and related costs.

Comments:

The Mayor's budget provides for an increase of \$11,133,313. Our recommended reductions, which total \$104,000 would still allow an increase of \$11,029,313, or 18.7 percent in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS

1998-99

Department: HRD - Human Resources Department

Page			Position/ Equipment	Number		Amount		
No.	Object	Account Title	Number	From	To	From	To	Savings
<u>Health Services System (FEE)</u>								
2448	001	Permanent Salaries - Misc				\$1,979,198	\$1,979,198	*
		* The recommended reduction in Permanent Salaries - Misc is the total of the following specific recommendations regarding individual classifications.						
2461	001	Benefits Technician	1209N	6	5	204,818	170,682	\$34,136
2461	001	Benefits Technician	1209L	0	1	0	34,136	(34,136)

During the next fiscal year, the Department will acquire a new Interactive Voice Response System for \$97,000, which will allow it to automate some of the work of the claims processing staff. The new system will be partially implemented in the next fiscal year, thus reducing the claims processing workload performed by 1209 Benefits Technicians and 1210 Benefits Analysts. We recommend that one of the proposed six new Benefits Technician positions be classified as a Limited tenure position so that when the increased productivity resulting from the automated system is realized, staffing could possibly be reduced for this claims processing function. The Department should report back to the Finance Committee by June, 1999 on improvements made in claims processing productivity and plans for staffing changes for FY 1999-00.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: HRD - Human Resources Department

Page No.	Object	Account Title	Position/ Equipment Number	Number From To	Amount From	To	Savings
2448	035	Other Current Expenses The Department has increased this amount to provide funds for temporary workers under an outside contract to assist with claims processing. The six new Benefits Technicians requested by the Department combined with existing staff will provide sufficient staffing to process the Department's workload. Additionally, the Department's line item for Professional & Specialized Services already includes \$75,000 in funds for hiring temporary staff.			\$591,361	\$487,361	\$104,000

Total Recommended Reductions

\$104,000

BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY

Department: RET RETIREMENT SERVICES

Budget Volume: VI
Budget Page: 2588

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated				- %
Other Department Revenue	\$7,892,686	\$8,667,856	\$775,170	9.8
Dept. General Fund Revenue				-
Supplemental Appropriations				-
Total Sources	\$7,892,686	\$8,667,856	\$775,170	9.8 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$7,892,686	\$8,667,856	\$775,170	9.8 %
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	\$7,892,686	\$8,667,856	\$775,170	9.8 %
Supplemental Appropriations				-
Total Uses	\$7,892,686	\$8,667,856	\$775,170	9.8 %
Mayor's Listed Positions:				
Permanent	58.50	61.75	3.25	5.6 %
Temporary	3.36	4.19	0.83	24.7
Attrition Savings	(0.95)	(0.96)	(0.01)	-1.1
Project Positions	1.00	1.00		
Subtotal, Mayor's Budget	61.91	65.98	4.07	6.6 %
Adjustments (FTE):				
Overtime	0.07	0.13	0.01	13.6 %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	61.98	66.11	4.08	6.6 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: RET: Employees Retirement System

Financial Data:

The Employees Retirement System's proposed \$8,667,856 budget for FY 1998-99 is \$775,170 or 9.8 percent more than the original FY 1997-98 budget of \$7,892,686. The net increase from the revised FY 1997-98 budget is identical to the increase from the original operating budget.

Summary of Budgeted Activities:

	Fiscal Year 1997-98		Fiscal Year
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Administration	\$639,541	\$639,541	\$716,378
Investments	1,049,352	1,049,352	1,181,561
Retirement Services	6,053,793	6,053,793	6,619,917
Deferred Compensation	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>
Total	\$7,892,686	\$7,892,686	\$8,667,856

Department Personnel:

In FY 1997-98, the Employees Retirement Services proposes the following changes in personnel:

- In the Retirement Services, Investment and Administration Divisions the Department is requesting the addition of five new positions (3.75 FTEs for FY 1998-99) as follows:
 - One new AB39 Deputy Director Position (.75 FTE for FY 1998-99), in the Administration Division. The full year annual salary and fringe benefit costs for this position is \$119,029.
 - One new 4331 Security Analyst (.75 FTE for FY 1998-99), in the Investment Division. The full year annual salary and fringe benefit costs for this position is \$84,515

The Budget Analyst recommends disapproval of the two above-listed positions.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: RET: Employees Retirement System

- One new 4333 Senior Investment Officer (.75 FTE for FY 1998-99), in the Investment Division. The full year annual salary and fringe benefit costs for this position is \$114,984.
- One new Limited Tenure 1812 Assistant Retirement Analyst (.75 FTE for FY 1998-99), in the Retirement Services Division. The full year annual salary and fringe benefit costs for this position is \$63,651.
- One new Limited Tenure 1209 Benefits Technician (.75 FTE for FY 1998-99), in the Retirement Services Division. The full year annual salary and fringe benefit costs for this position is \$50,471.

The Budget Analyst recommends approval of the three above-listed positions.

The Department is also requesting: (1) that two 1654 Principal Accountants be reclassified as 1657 Senior Systems Accountants, at an increased annual cost of \$15,190; and (2) that one 1819 Management Information Systems Specialist position be reclassified as a 1023 Administrator III position, in accordance with the Information Technology Study, at an increased annual cost of \$387. The Budget Analyst recommends approval of the upward reclassification of the 1819 Management Information Systems position and of the upward substitution of the two Accountant positions that have been reviewed and approved by the Department of Human Resources.

The Department's proposed budget also includes full year funding at total cost of \$65,261, in salary and benefits, for one 1812 Assistant Retirement Analyst that was approved in the FY 1997-98 budget for one-half of the fiscal year.

Department Expenditures:

Retirement Services

The Department is requesting an increase of \$4,970 for Training expenses related to preparing staff to inform approximately 8,000 plan participants of the new IRS regulations that will allow them to buy back prior service credit on a pre-tax basis. The Department is also requesting an increase of \$249,044 for Other Current Expenses to cover costs related to moving expenses when the current lease expires on June 30, 1999. The Department states that the current space must be vacated by June 30, 1999 and Real Estate provided the estimate of the moving costs. At this time, there are no proposed sites for relocating the Retirement Services System offices.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: RET: Employees Retirement System

The Department is also requesting \$239,000 for Professional and Specialized Services, an increase of \$28,900 from FY 1997-98. Included in this amount is:

- \$25,000 to continue funding of the Pre-Retirement Counseling Program;
- \$150,000 to purchase actuarial review services that are scheduled to take place during FY 1998-99;
- \$34,000 to fund the annual financial audit of the Retirement System, to be conducted by KPMG Peat Marwick; and
- \$30,000 to continue to provide consulting services to support written communication with members.

Comments:

1. In January of 1995, the Workers Compensation function, and all the corresponding duties and responsibilities, was transferred from the Employee Retirement System to the Department of Human Resources. At that time, the position of Deputy General Manager was eliminated from the Employee Retirement Systems budget since the primary duties of the position were overseeing the activities of the Workers' Compensation Division and preparation of the Department's budget. Since the elimination of the Deputy General Manager position, the responsibility of preparing the annual budget has been the responsibility of the Chief Accountant.

2. The Mayor's budget recommends an increase of \$775,170. Our recommended reductions, which total \$136,968, would still allow an increase of \$638,202, or 8.1 percent, in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: RET - Employees' Retirement System

Page			Position/ Equipment		Number		Amount		
No.	Object	Account Title	Number	From	To	From	To	Savings	
<u>Investment (FDF)</u>									
596	001	Permanent Salaries - Misc.				\$958,160	\$914,919	*	
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.							
601	001	Security Analyst	4331N	0.75	0.00	43,241	0	\$43,241	
		The Department has not adequately justified the addition of this new position, at an annual cost of \$84,515 including fringe benefits. In addition to spending \$23.5 million in outside investment consulting services, the Retirement System presently has four Security Analysts, three Senior Investment Officers, one Chief Investment Officer, one Principal Accountant and one Chief Accountant in its Investment Division personnel. However, we are recommending approval of three of the requested five new positions for the Department, including one new Senior Investment Officer which the Department has sufficiently justified.							
596	013	Mandatory Fringe Benefits				196,907	176,507	20,400	
		Corresponds to reduction in salaries.							

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: RET - Employees' Retirement System

Page			Position/ Equipment	Number		Amount		
No.	Object	Account Title	Number	From	To	From	To	Savings
<u>Administration (FED)</u>								
2597	001	Permanent Salaries - Misc.				438,189	377,487	*
		<ul style="list-style-type: none"> The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications. 						
2602	001	Deputy Director	AB39N	0.75	0.00	\$60,702	0	\$60,7
		Delete one new Deputy Director position, at an annual cost of \$119,029 including fringe benefits, which the Department has not adequately justified.						

The Department previously had a Deputy General Manager position which was responsible for budget preparation and Workers Compensation functions. That position was subsequently eliminated and, with the passage of Proposition L in November of 1993, the Workers Compensation functions were transferred to the Department of Human Resources. The preparation of the annual budget has been the responsibility of the Department's Chief Accountant.

In its Fiscal Year 1995-96 budget request, the Department requested a Special Assistant XVII position to serve as the Department's Chief Operating Officer. That position request was denied by the Finance Committee. Now the Executive Director (ED) states referring to the new subject request that "This position will allow the system to begin to plan succession" and that the "Position will allow the ED to spend significantly more time representing the Retirement System in political, community and plan participant meetings. Planning for a successor does not justify the creation of a new position costing \$119,029, annually. While we are not recommending approval of the new Deputy Director position, we are recommending approval of three of the five new positions requested by the Department.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: RET - Employees' Retirement System

Page			Position/ Equipment	Number		Amount		
No.	Object	Account Title	Number	From	To	From	To	Savings
2597	013	Mandatory Fringe Benefits				91,136	\$78,511	12,625
		Corresponds to reduction in salaries.						
		Total Recommended Reductions						\$136,968

BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY

Department: CRT TRIAL COURTS

Budget Volume: 1
Budget Page: 53

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$49,187,036	\$33,621,534	(\$15,565,502)	-31.6 %
Other Department Revenue	6,040,098	838,640	(5,201,458)	-86.1
Dept. General Fund Revenue	2,843,280	5,289,336	2,446,056	86.0
Supplemental Appropriations				-
Total Sources	\$58,070,414	\$39,749,510	(\$18,320,904)	-31.5 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$58,034,414	\$39,154,835	(\$18,879,579)	-32.5 %
Fac. Maint. / Capital Imp.	35,000	594,675	558,675	1551.9
Subtotal - Mayor's Budget	\$58,070,414	\$39,749,510	(\$18,320,904)	-31.5 %
Supplemental Appropriations				-
Total Uses	\$58,070,414	\$39,749,510	(\$18,320,904)	-31.5 %
Mayor's Listed Positions:				
Permanent	557.50	567.50	10.00	1.8 %
Temporary	2.33	2.35	0.02	0.9
Attrition Savings	(21.25)		21.25	100.0
Subtotal, Mayor's Budget	538.58	569.85	31.27	5.8 %
Adjustments (FTE):				
Overtime	0.02	0.02	0.00	0.9 %
Supplemental Appropriations				
Other Adjustments				
Total FTE	538.60	569.87	31.27	5.8 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **CRT - Trial Courts**

The Trial Courts proposed operating budget of \$39,154,835 for FY 1998-99 is \$18,879,579 or 32.5 percent less than the original FY 1997-98 operating budget of \$58,034,414. However, the Trial Courts' costs have not decreased by that amount. Total Trial Courts spending is proposed to be \$68,290,278. The \$39,154,835 in the Mayor's budget represents only the local contribution to the Trial Courts operations, with the balance of the budget of the Trial Courts being funded by the State.

Chapter 850 of the California Government Code, adopted as AB 233 by the State Legislature in 1997, transferred principal funding responsibility for trial court operations to the State beginning midway through FY 1997-98 and for the first full fiscal year in FY 1998-99. The legislation created the State Trial Court Agency Fund that is comprised of State funds and a maintenance of effort contribution from each county. The county maintenance of effort amount will be frozen at the level each county contributed to trial court operations in FY 1994-95 under the old trial court funding formula. For San Francisco, that amount for FY 1998-99 is set by the statute as \$24,777,540. Though the exact level of the State contribution will not be finalized until August, 1998, Trial Courts staff expect the State contribution to be at least \$26 million and more likely \$28.6 million. Combined with the local maintenance of effort contribution, \$28.6 million would be sufficient to fund all proposed court operations eligible for State funding. If the State contribution is less than \$28.6 million, the courts would have to reduce some of their proposed costs.

The City no longer has approval authority over the expenditures funded by the State Trial Court Agency Fund. However, there are a number of proposed court expenses that are not eligible for State funding under the legislation that are considered to be local discretionary costs and are subject to review and approval by the Board of Supervisors. For FY 1998-99, the Trial Courts are proposing discretionary local expenditures of approximately \$14.9 million for items ineligible for State funding. The table below summarizes proposed funding and sources for the Trial Courts for FY 1998-99:

Proposed Expenditures and Funding Sources
FY 1998-99 Trial Courts

Source	Funding	Proposed Expenditure Amount
State Trial Court Agency Fund	State	\$28,565,965
Local Maintenance of Effort	City and County General Fund	24,777,540
Proposed Discretionary Local Contributions	General Fund	14,946,773
	Courthouse Construction Fund	
	Various State Funds	
Total FY 1998-99 Budget		\$68,290,278

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS

1998-99

Department/Division: **CRT - Trial Courts**

Unlike previous years when the Board of Supervisors reviewed and approved the entire Trial Courts budget, the Board's overview now pertains only to the proposed local discretionary expenditures of the \$14,946,773, as listed below.

Breakdown of Trial Courts
Discretionary Local Contributions
Budgeted FY 1997-98 and Proposed FY 1998-99

<i>General Fund:</i>	1997-98 Budget (original)	1998-99 proposed
Grand Jury/Indigent Defense	\$6,421,430	\$6,609,630
New Courthouse Utilities	0	1,293,580
DA-Family Support ¹	982,832	1,101,125
Fringe Benefits for Municipal Court Judges	79,980	79,980
Facility Maintenance	36,000	36,000
Capital Costs for Drug Court	0	558,675
Juvenile Dependency Mediation	136,180	138,644
<i>Subtotal - General Fund</i>	<i>\$7,656,422</i>	<i>\$9,817,634</i>
<i>Other Funds:</i>		
Alternative Dispute Resolution ²	\$349,000	\$349,000
State Funded Automation Project	733,647	108,803
Courthouse Construction Fund Project ³	4,957,451	4,671,336
<i>Subtotal - Other Funds</i>	<i>\$6,040,098</i>	<i>\$5,129,139</i>
Grand Total	\$13,696,520	\$14,946,773

¹ 66% Federally funded

² 100% Grant funded

³ Funded by filing fee surcharge revenue

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS

1998-99

Department/Division: CRT - Trial Courts

A brief description of each expenditure category and any proposed changes are as follows.

Grand Jury/Indigent Defense	1997-98 Budget: \$6,421,430	Proposed 1998-99: \$6,609,630
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This covers the costs of indigent defense services, including investigators and expert witnesses and Grand Jury expenses.

New Courthouse Utilities	1997-98 Budget: \$0	Proposed 1998-99: 1,293,580
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This will cover the costs of sewer service, light, heat and power, and building maintenance inspections and services for the new courthouse building.

DA-Family Support	1997-98 Budget: \$982,832	Proposed 1998-99: \$1,101,125
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This pays for the cost of Family Court including a Court Commissioner, court clerks, court reporting, and small claims legal advice. This amount is 66 percent reimbursed by Federal funds; the balance from the General Fund.

Fringe Benefits for Municipal Court Judges	1997-98 Budget: \$79,980	Proposed 1998-99: \$79,980
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These costs are included so San Francisco Municipal Court judges receive local health benefits. Funding for these benefits was established at a time when Municipal Court judges benefits were not covered by the State but Superior Court judges benefits were covered by the State. Fringe benefit costs for Superior Court judges are an allowable State cost.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: CRT - Trial Courts

Facility Maintenance	1997-98 Budget: \$36,000	Proposed 1998-99: \$36,000
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This covers miscellaneous repairs and related services for the courtrooms.

Capital Costs for Drug Court	1997-98 Budget: \$0	Proposed 1998-99: \$558,675
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This would cover the one time conversion costs of a room at the Hall of Justice to a courtroom to be used for the Drug Court. Currently the Drug Court does not have an official courtroom. The cost estimates were developed by the Department of Public Works Bureau of Architecture.

Juvenile Dependency Mediation	1997-98 Budget: \$136,180	Proposed 1998-99: \$138,644
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This covers the cost of mediation services provided by a staff Program Director, and contract mediators.

Alternative Dispute Resolution	1997-98 Budget: \$349,000	Proposed 1998-99: \$349,000
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This grant funded project covers the costs of three contractors who provide alternative dispute resolution including the Community Board Program (\$177,600), California Community Dispute Service (\$152,400), and California Lawyers for the Arts (\$16,800), and miscellaneous expenses (\$2,200).

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: CRT - Trial Courts

State Funded Automation Project	1997-98 Budget: \$733,647	Proposed 1998-99: \$108,803
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This covers the software and installation cost for the Trial Courts' new automated civil system. This project is winding down and expected to conclude this year.

Courthouse Construction Fund Project	1997-98 Budget: \$4,957,451	Proposed 1998-99: \$4,671,336
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This fund, generated by a surcharge on court filing fees, covers the costs of the construction of the new courthouse. \$4.2 million of the funds will be used for debt service in FY 1998-99 and the rest will cover rent for a civil courtroom at the Polk Street facility, some assisted listening equipment for the building, and insurance.

Comments:

As previously noted, Trial Courts staff report that the final State allocation to the Trial Court Agency fund will not be know until August, 1998. Currently, the expenditures that the Courts are assuming will be covered by the State Fund amount to \$53,343,505, which consists of the anticipated State allocation of \$28,565,965 and the General Fund local maintenance of effort allocation of \$24,777,540. If the actual State allocation is less than expected, the Trial Courts will have to reduce its expenditures or request funding from the City to cover unfunded services. The State has informed Trial Courts staff that there will be an amendment to the local Maintenance of Effort requirement, increasing it by \$794,848 from \$24,777,540 to \$25,572,388 in FY 1998-99. This will increase the level of General Fund support required for the Trial Courts. However, until the change is submitted to the Board of Supervisors for additional General Fund monies, we recommend that the Board of Supervisors consider the budget of the Trial Courts as submitted.

The Budget Analyst's recommendations are provided on the next page. Altogether, our recommended reductions total \$686,620, which still leaves the level of local discretionary funding for the Trial Courts at \$14,260,153.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: Trial Courts

ge		Position/	Equipment		Number		Amount		
o.	Object	Account Title	Number	From	To	From	To	Savings	
<u>Indigent Defense/Grand Jury (AML)</u>									
1	026	Court Fees & Other Compensation				\$6,400,000	\$5,900,000	\$500,000	
		Reduction in indigent defense fees based on actual expenditures in FY 1997-98, and allowing for increases due to current vacancies in the Public Defender's Office and an increase in overall caseload of 10 percent in FY 1998-99. The Trial Courts report that criminal filings have declined, contributing to a reduction in the need for outside indigent defense services. Fees for outside indigent defense services should further decrease in FY 1998-99 as the Public Defender received funding for two new Attorney positions in May, 1998 to represent defendants in preliminary hearings in Municipal Court. The Public Defender had stopped representing these cases in FY 1997-98 due to rising caseload and staff shortages.							
1	081	Services of Other Departments				137,600	300	137,300	
		Deletes duplicate funding for steam for new courthouse since that is already budgeted for elsewhere on the budget.							

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: Trial Courts

Page			Position/ Equipment	Number		Amount		
No.	Object	Account Title	Number	From	To	From	To	Savings
<u>District Attorney Child Support Services</u>								
75	027	Professional & Specialized Services				\$166,227	\$116,907	\$49,320
		Removes contractual services funding for Assistant Facilitator Family Law functions since a new permanent position in the proposed budget has been recommended to handle such functions.						
Total Recommended Reductions								\$686,620

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: JUV JUVENILE PROBATION

**Budget Volume: 1
Budget Page: 211**

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$20,222,062	\$20,697,843	\$475,781	2.4 %
Other Department Revenue	194,000	3,294,000	3,100,000	1597.9
Recoveries	78,980		(78,980)	-100.0
Dept. General Fund Revenue	2,901,000	3,367,124	466,124	16.1
Supplemental Appropriations	2,638,924		-2,638,924	-100.0
Total Sources	\$26,034,966	\$27,358,967	\$1,324,001	5.1 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$23,097,042	\$26,895,967	\$3,798,925	16.4 %
Fac. Maint. / Capital Imp.	299,000	463,000	164,000	54.8
Subtotal - Mayor's Budget	\$23,396,042	\$27,358,967	\$3,962,925	16.9 %
Supplemental Appropriations	2,638,924		(2,638,924)	-100.0
Total Uses	\$26,034,966	\$27,358,967	\$1,324,001	5.1 %
Mayor's Listed Positions:				
Permanent	303.75	313.25	9.50	3.1 %
Temporary	11.78	18.70	6.92	58.7
Attrition Savings	(21.75)	(19.78)	1.97	9.1
Subtotal, Mayor's Budget	293.78	312.17	18.39	6.3 %
Adjustments (FTE):				
Overtime	3.25	3.29	0.04	1.2 %
Supplemental Appropriations	9.00		(9.00)	-100.0
Other Adjustments				-
Total FTE	306.03	315.46	9.43	3.1 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: JUV - Juvenile Probation

Financial Data:

Juvenile Probation's proposed \$26,895,967 budget for FY 1998-99 is \$3,798,925 or 16.4 percent more than the original FY 1997-98 budget of \$23,097,042. The net increase from the revised FY 1997-98 operating budget to the proposed 1998-99 budget is \$3,784,694 or 16.4 percent.

Summary of Budgeted Activities:

<u>Activity</u>	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Administration	\$4,087,054	\$4,093,776	\$4,499,352
CHF-Juvenile Probation	194,000	194,000	194,000
Children's Baseline	1,949,633	1,950,996	1,793,062
Juvenile Hall	8,134,538	8,137,014	8,363,623
Log Cabin Ranch	2,243,123	2,245,430	2,484,898
Probation Services	<u>6,488,694</u>	<u>6,490,057</u>	<u>9,561,032</u>
Subtotal	23,097,042	23,111,273	26,895,967
Facilities Maintenance	<u>299,000</u>	<u>299,000</u>	<u>463,000</u>
TOTAL	\$23,396,042	\$23,410,273	\$27,358,967

Department Revenues:

The Juvenile Probation Department's projected non General Fund departmental revenue would increase by \$3,100,000 from \$194,000 to \$3,294,000 to reflect the budgeting of Temporary Assistance to Needy Families (TANF) program revenue. TANF funding was approved by the Board of Supervisors in the amount of \$2,638,924 for this program during Fiscal Year 1997-98.

Departmental Expenditures:

The proposed budget includes \$3,100,000 in expenditure appropriations for the TANF program which represents 81.6% of the total increase of \$3,798,925 in the Department's operating budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: JUV - Juvenile Probation

Department Personnel Changes:

The Mayor's proposed budget includes various reclassifications, reassignments and substitutions and an increase of 10 Permanent positions as follows:

<u>Position</u>	<u>Classification</u>	Mayor's Budget Number of <u>Positions</u>	Request Amount <u>Budgeted</u>	Annualized Number of <u>Positions</u>	Annualized Salaries at <u>Top Step</u>
8444	Deputy Probation Officer	8.00	\$312,174	8.00	\$428,666
7524	Institution Utility Worker	.75	21,789	1.00	25,702
1430	Transcriber Typist	.75	24,539	1.00	28,991
2992	Contract Compliance Officer I	.75	37,995	1.00	46,197
1819	Management Information System Specialist	<u>(.75)</u>	<u>(48,452)</u>	<u>(1.00)</u>	<u>(48,742)</u>
		9.50	\$348,045	10.00	\$480,814

Eight of these new positions would be funded from TANF revenue and were approved by supplemental appropriation during Fiscal Year 1997-98. The Budget Analyst is recommending approval of the new 7524 Institution Utility Worker for Log Cabin Ranch and disapproval of the 2992 Contract Compliance Officer and the 1430 Transcriber Typist position.

Comments:

The Mayor's budget provides for an increase of \$3,798,925. Our recommended reductions, which total \$81,904 would still allow an increase of \$3,717,021 or 16.1 percent in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: JUV - Juvenile Probation

Page			Position/ Equipment	Number		Amount		
No.	Object	Account Title	Number	From	To	From	To	Savings
<u>Administration (ASC)</u>								
224	001	Permanent Salaries - Misc.				\$2,138,762	\$2,114,223	*
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.						
234	001	Transcriber Typist	1430N	0.75	0	24,539	0	\$24,539
		To delete new position not sufficiently justified. However, our recommendations would provide for the approval of 8 of the 10 requested new positions for the Department.						
224	013	Mandatory Fringe Benefits				550,616	544,299	6,317
		Corresponds to reduction in salaries.						
224	022	Training				14,000	10,000	4,000
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: JUV - Juvenile Probation

Page No.	Object	Account Title	Position/ Equipment Number	Number From	To	Amount From	To	Savings
<u>Children's Baseline (FAL)</u>								
227	001	Permanent Salaries - Misc. * The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.				\$451,056	\$413,061	*
237	001	Contract Compliance Officer I To delete position not sufficiently justified. However, our recommendations would provide for the approval of 8 of the 10 new positions requested by the Department.	2992	0.75	0	37,995	0	\$37,995
227	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.				107,475	98,422	9,053
Total Recommended Reductions								\$81,904

**BUDGET REVIEW FORM
REVENUE/EXPENDITURE SUMMARY**

Department: LLB LAW LIBRARY

Budget Volume: V
Budget Page: 2164

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$271,313	\$272,620	\$1,307	0.5 %
Other Department Revenue				-
Dept. General Fund Revenue				-
Supplemental Appropriations				-
Total Sources	\$271,313	\$272,620	\$1,307	0.5 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$271,313	\$272,620	\$1,307	0.5 %
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	\$271,313	\$272,620	\$1,307	0.5 %
Supplemental Appropriations				-
Total Uses	\$271,313	\$272,620	\$1,307	0.5 %
Mayor's Listed Positions:				
Permanent	3.00	3.00		- %
Temporary				-
Attrition Savings				-
Subtotal, Mayor's Budget	3.00	3.00		- %
Adjustments (FTE):				
Overtime				- %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	3.00	3.00		- %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: LLB - Law Library

Financial Data:

The Law Library's proposed \$272,620 operating budget for 1998-99 is \$1,307 or 0.5 percent more than the original 1997-98 budget of \$271,313. The net decrease from the revised 1997-98 budget of \$274,249 to the 1998-99 budget is \$1,629, or 0.6 percent less.

Summary of Budgeted Activities:

<u>Activity</u>	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year 1998-99</u>
	<u>Original</u>	<u>Revised</u>	
<u>General Fund</u>			
Law Library Services	<u>\$271,313</u>	<u>\$274,249</u>	<u>\$272,620</u>
Total	\$271,313	\$274,249	\$272,620

Department Personnel Changes:

None

Comment:

The 1998-99 Non-General Fund budget includes filing and miscellaneous revenues projected at \$1,162,782, a decrease of \$350,398 or 23.2 percent from the \$1,513,180 for 1997-98. Non-General Fund expenses for 1998-99 are projected at \$1,442,649, a decrease of \$28,549 or 1.9 percent from \$1,471,198 for 1997-98.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: LLB - Law Library

Page No.	Object	Account Title	Position/ Equipment Number			Amount		Savings
			Number	From	To	From	To	
<u>Law Library</u>								
164	001	Permanent Salaries - Misc. * The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.				\$215,212	\$202,705	*
165	001	Bookbinder The Department plans to fill this vacant position by August 3, 1998 at an annual salary of \$48,000 and not \$56,507. Therefore, reduce the salary and adjust the salary for the starting date. The Department of Human Resources has advised the Budget Analyst that the Bookbinder is still the appropriate classification for the modernized, automated bindery functions that will be performed by this position.	0190	1	1	\$6,507	\$44,000	\$12,507
164	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.				47,148	44,409	2,739
Total Recommended Reductions								\$15,246

BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY

Department: AGW COUNTY AG/WEIGHTS & MEASURES

Budget Volume: 1
Budget Page: 21

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$198,056	\$210,597	\$12,541	6.3 %
Other Department Revenues				-
Recoveries		53,700	53,700	-
Dept. General Fund Revenue	835,600	1,080,600	245,000	29.3
Supplemental Appropriations				-
Total Sources	\$1,033,656	\$1,344,897	\$311,241	30.1 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$1,033,656	\$1,344,897	\$311,241	30.1 %
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	\$1,033,656	\$1,344,897	\$311,241	30.1 %
Supplemental Appropriations				-
Total Uses	\$1,033,656	\$1,344,897	\$311,241	30.1 %
Mayor's Listed Positions:				
Permanent	16.22	18.92	2.70	16.6 %
Temporary	0.18	0.18		
Attrition Savings	(0.44)	(0.42)	0.02	4.5
Subtotal, Mayor's Budget	15.96	18.68	2.72	17.0 %
Adjustments (FTE):				
Overtime	0.03	0.03		- %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	15.99	18.71	2.72	17.0 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: AGW County Agriculture -Weights and Measures

Financial Data:

The County Agriculture Weights and Measures Department's proposed \$1,344,897 budget for FY 1998-99 is \$311,241 or 30.1 percent more than the original FY 1997-98 budget of \$1,033,656. The net increase from the revised FY 1997-98 budget is identical to the increase from the original budget.

Summary of Budgeted Activities:

	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Agriculture Weights and Measures Inspection	\$848,770	\$848,770	\$1,106,379
Farmer's Market	<u>184,886</u>	<u>184,886</u>	<u>238,518</u>
Total	<u>\$1,033,656</u>	<u>\$1,033,656</u>	<u>\$1,344,897</u>

Department Revenues Changes:

The Department's projected departmental revenues of \$1,080,600 for FY 1998-99 are \$245,000 more than the projected revenues for FY 1997-98 of \$835,600 due to (a) an increase in Flea Market revenues of \$23,000 based on an additional day (Wednesday) of operation and (b) a projected increase in Flea Market revenues of \$222,000 due to an increase in fees, from \$10 per vendor stall to \$30 per vendor stall, which has not yet been approved by the Board of Supervisors.

Department Personnel Changes:

The Department of Agriculture's proposed budget contains the following changes in personnel: (a) an \$8,084 increase from changing a 0.72 FTE 3480 Farmer's Market Custodian to 0.92 FTE, or an increase of 0.2 FTE, in order to cover an additional day of operation of the Flea Market; (b) \$20,506 increase to add one new 0.75 FTE 1422 Junior Clerk Typist; (c) a \$19,810 increase to add one new 0.5 FTE 1426 Senior Clerk Typist for the Integrated Pest Management (IPM) Program (see description below); (d) a \$32,786 increase to add one new 0.75 FTE 3450 Agricultural Inspector for the IPM Program (see description below); (e) a \$21,857 increase to add one new 0.5 FTE 6220 Inspector of Weights and Measures for an expanded meter inspection program for taxis and other vehicles; and (e) an

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **AGW County Agriculture -Weights and Measures**

\$89,102 increase in salary items to fund step adjustments, cost of living increases and increases in fringe benefits.

Two of the new positions described above are being requested by the Department for the City's Integrated Pest Management (IPM) Program: (a) a 0.5 FTE 1426 Senior Clerk Typist and (b) a 0.5 FTE 3450 Agricultural Inspector, for a total of 2.0 FTE positions on an annualized basis. In October 1996, the Board of Supervisors amended the Administrative Code to create the IPM Program (Chapter 29) aimed at eliminating the use of certain pesticides. Under Chapter 29, the Agricultural Commissioner is responsible for providing training and technical assistance to City departments, including the creation and maintenance of a database of information concerning pesticide use by City departments. Presently, the Department has one clerical worker in a limited-tenure grant-funded position to provide clerical support for the IPM Program. Grant funding for the clerical position will end during FY 1998-99. The Department is requesting the addition of the new 1426 Senior Clerk Typist position so that the existing grant-funded clerical worker may be retained and continue to provide clerical support for IPM Program-related activities. Additionally, the Department is requesting a new 3450 Agricultural Inspector position to direct IPM Program activities. The Department advises that it has not fully carried out the implementation requirements of the IPM Program as stated in the Administrative Code due to insufficient staff resources. Presently, in addition to the 1426 Senior Clerk Typist, the Department has allocated 0.5 FTE of an existing 3450 Agricultural Inspector position to operate the program. We are recommending approval of the new 1426 Senior Clerk Typist position for the IPM Program to replace the grant-funded clerical position which is ending in FY 1998-99. However, we are recommending that the new 3450 Agricultural Inspector position be disapproved and that IPM Program activities continue to be performed by existing Departmental staff pending submission of a report back to the Board of Supervisors prior to June of 1999 to document the exact accomplishments of the 1.5 FTE positions presently allocated to this program.

Department Expenditures:

The Department is requesting an increase of \$136,264 in non-salary expenditures consisting primarily of one-time expenditures to expand the Department's State-mandated meter inspection program for taxis and other vehicles. As noted above, the Department is also requesting the addition of one new 0.5 FTE 6220 Inspector of Weights and Measures position commencing January 1, 1999, which will become a 1.0 FTE position beginning in FY 1999-2000, to staff the expanded meter inspection program at salary and fringe benefit costs of \$20,069 in FY 1998-99, or \$40,138 annually. The Department estimates that the expanded meter inspection program would generate additional revenues of \$25,000 annually.

Comment:

The Mayor's budget provides for an increase of \$311,241. Our recommended reductions, which total \$71,992, would still allow an increase of \$239,249 or 23.1 percent in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: AGW ADMIN SVCS - County Ag/Weights & Measures

Page No.	Object	Account Title	Position/ Equipment Number		Amount		Savings
			Number	From To	From	To	
<u>Farmers' Market (AOA)</u>							
25	040	Materials and Supplies			\$6,775	\$4,700	\$2,
		Reduce to FY 97-98 baseline plus a 20 percent adjustment for additional day of Flea Market operation.					

Agriculture Weights and Measures Inspection (AOB)

26	001	Permanent Salaries - Misc.				687,006	633,714	*
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.						
29	001	Agricultural Inspector	3450	0.75	0	32,786	0	32,
		Delete one new Agricultural Inspector. The Department has allocated a 0.5 FTE existing 3450 Agricultural Inspector position to operate the program. Additionally we are recommending approval of one new 1426 Senior Clerk Typist to replace an existing grant-funded position. The Department should submit a report to the Board of Supervisors prior to June of 1999 to document the exact accomplishments of the 1.5 FTE positions presently allocated to the Integrated Pest Management (IPM) Program.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: AGW ADMIN SVCS - County Ag/Weights & Measures

Page No.	Object	Account Title	Position/ Equipment Number			Amount		Savings
			Number	From	To	From	To	
29	001	Junior Clerk Typist The Department reports that it did not request this position.	1422	0.75	0	\$20,506	0	\$20,506
26	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.				178,398	\$167,740	10,658
26	035	Other Current Expenses Reduce by \$1,000 for copy machine rental and \$200 for uniform service based on actual need.				15,100	13,900	1,200
26	040	Materials and Supplies Reduce to eliminate time clock (\$440) not sufficiently justified; to reflect actual cost of computer software (\$2,450); and for miscellaneous expenses not identified by the Department (\$377).				13,969	10,702	3,267
26	060	Equipment Purchase * The recommended reduction in equipment is the total of the following specific recommendations.				58,000	56,500	*

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: AGW ADMIN SVCS - County Ag/Weights & Measures

Page No.	Object	Account Title	Position/ Equipment Number	From	To	Amount From	To	Savings
31	060	Clerical Computer	AW003	2	1	\$3,000	\$1,500	\$1,5
<p>We are recommending approval of one of the two new requested computers.</p>								

Total Recommended Reductions

\$71.9

BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY

Department: CME ADMIN SERVICES -
MEDICAL EXAMINER

Budget Volume: 1
Budget Page: 39

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$3,397,546	\$3,360,458	(\$37,088)	-1.1 %
Other Department Revenue				-
Dept. General Fund Revenue	175,000	200,000	25,000	14.3
Supplemental Appropriations				-
Total Sources	\$3,572,546	\$3,560,458	(\$12,088)	-0.3 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$3,572,546	\$3,560,458	(\$12,088)	-0.3 %
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	\$3,572,546	\$3,560,458	(\$12,088)	-0.3 %
Supplemental Appropriations				-
Total Uses	\$3,572,546	\$3,560,458	(\$12,088)	-0.3 %
Mayor's Listed Positions:				
Permanent	37.26	36.51	(0.75)	-2.0 %
Temporary	2.11	2.12	0.01	0.5
Attrition Savings	(2.35)	(1.74)	0.61	26.0
Subtotal, Mayor's Budget	37.02	36.89	(0.13)	-0.4 %
Adjustments (FTE):				
Overtime	0.43	0.43		- %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	37.45	37.32	(0.13)	-0.3 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: CME - Medical Examiner

Financial Data:

The Medical Examiner's Office proposed \$3,560,458 budget for FY 1998-99 is \$12,088 or .3 percent less than the original FY 1997-98 budget of \$3,572,546. The net decrease from the revised FY 1997-98 budget to the Standardized budget is \$29,142 or 0.8 percent.

Summary of Budgeted Activities:

	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Administration	\$ 747,804	\$ 750,566	\$ 681,791
Medical Services	1,716,732	1,729,586	1,728,553
Investigative Services	<u>1,108,010</u>	<u>1,109,448</u>	<u>1,150,114</u>
Total	<u>\$3,572,546</u>	<u>\$3,589,600</u>	<u>\$3,560,458</u>

Department Revenues:

The Medical Examiner's projected revenue amount of \$200,000 for FY 1998-99 represents an increase of \$25,000 or 14.3 percent over the projected revenue amount of \$175,000 for FY 1997-98. This increase in revenues is attributable to the new fee structure, approved in August of 1997, and the projection is based on actual revenues year-to-date for FY 1997-98.

Department Personnel Changes:

The total increase in personnel costs of \$95,092 is the net result of increases in Permanent Salaries and Mandatory Fringe Benefits in Medical and Investigative Services totaling \$164,288 and a decrease in Permanent Salaries and Mandatory Fringe Benefits in Administration totaling \$69,196. As part of the FY 1997-98 budget, a Forensic Toxicologist II position was added with funding of \$66,477 for .75 FTE. The FY 1998-99 budget includes full year funding for this position at \$83,999 for 1.0 FTE. The Budget Analyst recommended the addition of the Forensic Toxicologist II position to address deficiencies in the Toxicology Lab which were noted in the 1997 Management Audit Report of the Medical Examiner's Office. As of the preparation of this report, the Forensic Toxicologist II position has not been filled.

Additionally, the FY 1998-99 budget includes 2 substitutions. The Medical Examiner has requested (1) the substitution of a Medical Transcriber for a Senior Clerk Typist for a salary reduction of \$2,569; and (2) the substitution of a Senior Management Assistant for a Special Assistant IX for a salary reduction of \$4,901. We recommend approval of these substitutions.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: CME - Medical Examiner

Departmental Expenditures:

The Medical Examiner's Office is proposing the replacement of one automobile at a cost of \$24,000 and one van with a lift at a cost of \$37,000. The existing sedan, which is used by the Forensic Pathologists to go to death scenes, is 12 years old and has approximately 60,000 miles on the odometer. Despite the low mileage, Central Shops has already replaced the exhaust manifold and the transmission. According to the Medical Examiner's Office the subject sedan is currently in need of another transmission and Central Shops has advised them to replace the vehicle rather than expend additional funds for repairs. The Budget Analyst recommends approval of this vehicle.

As previously noted, the Medical Examiner's Office is also requesting the replacement of one van with a lift. The existing van, which is used to transport human remains from the place of death to the Medical Examiner's Office, is 11 years old and has over 80,000 miles on the odometer. According to the Medical Examiner's Office this van has a slipping transmission and the engine smokes. Also there is not a power lift on this van which makes it more difficult for the Medical Examiner's Investigators to place the human remains in the van. Providing a van with a power lift should reduce injuries sustained while lifting remains, thereby reducing claims for job-related injuries. The Budget Analyst recommends approval of this vehicle.

The Budget Analyst also recommends increasing Attrition Savings by \$45,636, to reflect the FY 1997-98 level of Attrition Savings, and to reflect both the current and historical vacancy rates within the Medical Services Division. This results in a total increase in Attrition Savings of \$45,636, and a decrease in associated fringe benefits of \$6,617.

Comment:

As previously noted, the Medical Examiner's Office has requested, and received, one Forensic Toxicologist as part of the FY 1997-98 budget process. The Department stated that this position was needed to prepare policy and procedure manuals, update drug assays and assay protocols in the toxicology laboratory, prepare protocols for new equipment such as the Gas Chromatograph/Mass Spectrometer, and work with the State to have such protocols approved. The budget for this position was placed on reserve pending completion of a job analysis. The Medical Examiner's Office states that the Department of Human Resources is working with them to revise the existing position description, and establish the qualifications needed to successfully manage the toxicology laboratory and its activities. This request to add a Forensic Toxicologist to the staff was the Department's response to the Budget Analyst's management audit findings and recommendations regarding the toxicology laboratory. As previously noted, this position still has not been filled.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: CME - Medical Examiner

Page No.	Object	Account Title	Position/ Equipment Number	Number From To	Amount From To	Savings
<u>Medical Examiner - Medical Services (ASM)</u>						
44	001	Permanent Salaries Misc. * The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.			\$ 1,275,359 \$ 1,229,723	*
48	001	Attrition Savings Increase in Attrition Savings of \$45,636 to reflect the FY 1997-98 Attrition Savings.	9993M		(104,099) (149,735)	\$45,636
44	013	Mandatory Fringe Benefits Reduction reflects changes associated with the increase in Attrition Savings.			252,542 245,925	6,617
Total Recommended Reduction						\$52,258

BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY

Department: ANC ANIMAL CARE & CONTROL

Budget Volume: 1
Budget Page: 32

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$2,149,998	\$2,270,320	\$120,322	5.6 %
Other Department Revenue				-
Dept. General Fund Revenue	188,000	188,000		-
Supplemental Appropriations				-
Total Sources	\$2,337,998	\$2,458,320	\$120,322	5.1 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$2,327,998	\$2,363,320	\$35,322	1.5 %
Fac. Maint. / Capital Imp.	10,000	95,000	85,000	850.0 %
Subtotal - Mayor's Budget	\$2,337,998	\$2,458,320	\$120,322	5.1 %
Supplemental Appropriations				-
Total Uses	\$2,337,998	\$2,458,320	\$120,322	5.1 %
Mayor's Listed Positions:				
Permanent	38.00	38.75	0.75	2.0 %
Temporary				-
Attrition Savings	(1.00)	(1.00)		-
Subtotal, Mayor's Budget	37.00	37.75	0.75	2.0 %
Adjustments (FTE):				
Overtime	0.43	0.45	0.02	5.1 %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	37.43	38.20	0.77	2.1 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: ANC ADMIN SVCS - Animal Care and Control

Financial Data:

The Animal Care and Control Department proposed \$2,363,320 operating budget for FY 1998-99 is \$35,322 or 1.5% percent more than the original FY 1997-98 budget of \$2,327,998. The revised budget was increased by \$30,465, from \$2,332,855 to \$2,363,320, or 1.3%.

Summary of Budgeted Activities:

	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Animal Care and Control	\$2,327,998	\$2,332,855	\$2,363,320
Facilities Maintenance and			
Capital Improvements	<u>10,000</u>	<u>10,000</u>	<u>95,000</u>
Total	<u>\$2,337,998</u>	<u>\$2,342,855</u>	<u>\$2,458,320</u>

Department Revenues:

The Animal Care and Control Department's projected revenue for FY 1998-99 totals \$188,000 and is identical to the original revenue budgeted for FY 1997-98.

Department Personnel Change:

The Animal Care and Control Department proposes adding one new permanent 3370 Animal Care Attendant position at a cost of \$21,611 (excluding fringe benefits). This position would be hired as of October 1, 1998, so it is a 0.75 FTE for FY 1998-99. The Department reports that the additional position is needed to provide adequate staffing to care for the shelter animals and to keep kennels clean in order to be open to the public. The number of shelter animals increased by 3,138 this year, from 15,862 animals in FY 1996-97 to an estimated 19,537 animals in FY 1997-98, or an increase of 23.2%. Additionally, custody animals being held for court trials (cruelty cases) or vicious and dangerous dog hearings, have increased 40% since FY 1996-97.

Department Expenditures:

The Animal Care and Control Department proposes increasing other personnel expenses by \$12,679 to provide adequate funding for step and cost of living increases, as well as fringe benefits for the proposed new position. Additionally, the proposed budget includes \$85,000 for renovation of the freight elevator, which is obsolete, unsafe and costly to maintain.

Recommendations:

None.

BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY

Department: PAG ADMINISTRATIVE SERVICES -
PUBLIC ADMINISTRATOR/GUARDIAN

Budget Volume: 1
Budget Page: 242

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$1,217,728	\$1,407,098	\$189,370	15.6 %
Recoveries		64,975	64,975	-
Dept. General Fund Revenue	1,830,000	1,830,000		
Supplemental Appropriations				-
Total Sources	\$3,047,728	\$3,302,073	\$254,345	8.3 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$3,047,728	\$3,302,073	\$254,345	8.3 %
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	\$3,047,728	\$3,302,073	\$254,345	8.3 %
Supplemental Appropriations				-
Total Uses	\$3,047,728	\$3,302,073	\$254,345	8.3 %
Mayor's Listed Positions:				
Permanent	46.00	47.75	1.75	3.8 %
Temporary				-
Attrition Savings	(2.01)	(1.90)	0.11	5.5
Subtotal, Mayor's Budget	43.99	45.85	1.86	4.2 %
Adjustments (FTE):				
Overtime				- %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	43.99	45.85	1.86	4.2 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **Public Administrator/Public Guardian**

Financial Data:

The Public Administrator/Public Guardian proposed \$3,302,073 budget for FY 1998-99 is \$254,345 or 8.3 percent higher than the original FY 1997-98 budget of \$3,047,728. The net increase from the revised FY 1997-98 budget to the proposed FY 1998-99 budget is \$249,573 or 8.2 percent.

Summary of Budgeted Activities:

	Fiscal Year 1997-98		Fiscal Year
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Public Administrator	\$2,827,607	\$2,832,379	\$3,073,399
County Veterans Service Office	<u>220,121</u>	<u>220,121</u>	<u>228,674</u>
Total	\$3,047,728	\$3,052,500	\$3,302,073

Department Personnel Changes

The Public Administrator/Public Guardian budget proposes substituting one 1654 Principal Accountant for one 1823 Senior Administrative Analyst, and one upward reclassification of a 1426 Senior Clerk Typist to a 1408 Principal Clerk, both of which have been approved by the Department of Human Resources. One new 2912 Senior Social Worker is also added, which is funded by State grant funds and workordered from the Department of Human Services. The FY 1998-99 budget also includes the annualization of three positions, each of which was previously approved as a 0.75 FTE in the FY 1997-98 budget, therefore resulting in the addition of 0.75 FTE in FY 1998-99.

Department Expenditures:

The Public Administrator/Public Guardian proposes increasing the budget for other current expenses by \$37,086 which includes 1) \$17,340 to accommodate a rent increase during the last five months of FY 1998-99 that will result from consolidating the Department, which currently occupies 9,588 square feet in five separate locations on the first, second and third floors of 25 Van Ness, into 11,977 square feet on the second floor, 2) \$5,436 for moving expenses, 3) \$9,800 in rent annualization at a rate of \$1,400 for the first seven months of FY 1998-99 for space added in FY 1997-98, 4) \$4,200 increase in the training budget, and 5) \$310 increase in membership costs. Additionally, the budget for equipment purchase is increased by \$33,000 to buy two replacement vehicles at a cost of \$16,500 each

Recommendations:

None.

BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY

Department: DAT DISTRICT ATTORNEY

Budget Volume: 1
Budget Page: 90

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$17,734,782	\$18,324,639	\$589,857	3.3 %
Other Department Revenue	2,852,052	3,611,888	759,836	26.6
Recoveries	1,976,361	2,099,054	122,693	6.2
Dept. General Fund Revenue	11,387,446	13,830,693	2,443,247	21.5
Supplemental Appropriations				-
Total Sources	\$33,950,641	\$37,866,274	\$3,915,633	11.5 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$33,950,641	\$37,866,274	\$3,915,633	11.5 %
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	\$33,950,641	\$37,866,274	\$3,915,633	11.5 %
Supplemental Appropriations				-
Total Uses	\$33,950,641	\$37,866,274	\$3,915,633	11.5 %
Mayor's Listed Positions:				
Permanent	368.68	388.19	19.51	5.3 %
Temporary				-
Salary Savings	(11.78)	(7.40)	4.38	37.2
Subtotal, Mayor's Budget	356.90	380.79	23.89	6.7 %
Adjustments (FTE):				
Overtime				- %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	356.90	380.79	23.89	6.7 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **DAT - District Attorney**

Financial Data:

The District Attorney's proposed \$37,866,274 budget for FY 1998-99 is \$3,915,633 or 11.5 percent more than the original FY 1997-98 budget of \$33,950,641. The net increase from the revised FY 1997-98 budget to the proposed budget is \$3,388,438 or 9.8 percent.

Summary of Budgeted Activities:

<u>Activity</u>	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year 1998-99</u>
	<u>Original</u>	<u>Revised</u>	
Administration - Criminal & Civil	\$823,413	\$827,512	\$674,742
Administration - Family Support	0	0	0
Career Criminal Prosecution	665,519	665,519	697,025
CASES Consortium	0	0	2,100,000
Child Abduction	524,065	525,589	524,596
Family Support Program	12,095,678	12,110,466	11,762,895
Family Violence Program	425,052	425,052	430,198
Felony Prosecution	11,593,997	11,713,237	12,446,574
IPP/Subpoena Program	269,450	269,450	299,026
Misdemeanor Prosecution	1,477,513	1,477,513	1,568,079
Support Services	2,256,030	2,256,030	2,374,018
Work Orders & Grants	3,819,924	4,673,478	5,433,627
Departmental Transfer Adjustment	0	(466,010)	(444,506)
TOTAL	\$33,950,641	\$34,477,836	\$37,866,274

The \$11,762,895 proposed for the Family Support Program is almost entirely paid for by Federal and State funds. Approximately \$400,000 of this amount is expected to be covered by the General Fund.

Department Personnel Changes:

The District Attorney's proposed budget contains an increase of 23.89 full time equivalent positions. More than half of the new positions, or 13.2 of the 23.89, are grant funded. The remaining increase of 10.69 full time equivalent positions are a combination of a proposed reduction in attrition

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: DAT - District Attorney

savings, full year funding of permanent and limited duration positions added during FY 1997-98, and one new position proposed for the Support Services division. The additions are summarized as follows:

	<u># FTE</u>
Grant funded positions	13.20
Reduced attrition savings	4.38
Full year funding of permanent new positions added during FY 1997-98	1.00
Annualized limited tenure positions added during FY 1997-98	4.50
New positions	.75
Miscellaneous adjustments	<u>.06</u>
Total	23.89

The one proposed new position in the FY 1998-99 budget, shown as .75 FTE above because it will only be filled as of October, 1, 1998, is a 1650 Accountant to assist the Support Services staff in accounting for the department's grant revenues and the Bad Check Restitution Program. The total cost of the new position on a full year basis is \$43,739 for salary and mandatory fringe benefits.

Non-personnel expenditures

The major area of increase in the department's non-personnel budget is approximately \$2.1 million for the Family Support Program's CASES consortium. CASES is the Family Support Program's automated information system that has been re-implemented after the State's decision to discontinue development of the SACS program which was envisioned to be a standardized automated system shared by all family support programs in all counties throughout the State. Because it proved too costly and technically difficult to develop to the satisfaction of the State, counties have now been directed by the State to join one of several consortia of counties to develop and implement automated systems. Since the San Francisco Family Support program had fully developed CASES prior to initiation of the State's SACS development efforts, its implementation had been successful, and it met the functional requirements of many family support programs in many counties. 17 counties have now joined a consortium to acquire CASES and implement it in their counties. The \$2.1 million in expenditures is almost entirely offset by payments made by the consortium counties.

Other than the CASES consortium, Family Support Program costs are proposed to decrease in FY 1998-99 by \$347,571. A major source of the cost decrease is the discontinuation of the use of the Department

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: DAT - District Attorney

of Telecommunications and Information for information systems support. The program will be using the California Health and Welfare Data Center for this purpose in FY 1998-99 at a lower cost.

Other increases proposed in the budget is for new computer equipment for the District Attorney's Office (\$211,425 in State COPS, or AB 3229, funding), increased rent for office space at 732 Brannan Street, where the Department consolidated 38 employees from various locations and programs including Welfare Fraud, the Board of Control program, and others into a single office in March, 1998. Costs have increased because the Welfare Fraud staff was formerly housed at Department of Human Services facilities and did not pay rent.

Comment

The Mayor's budget provides for an increase of \$3,915,633. Our recommended reductions, which total \$290,930, would still allow an increase of \$3,624,703 or 10.7 percent in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: DAT - District Attorney/Felony Prosecution

Page No.	Object	Account Title	Position/ Equipment		Amount		Savings
			Number	From To	From	To	
<u>Felony Prosecution (AIA)</u>							
05	001	Permanent Salaries - Misc			\$8,960,546	\$8,823,746 *	
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.					
34	001	Attrition Savings - Misc			(183,200)	(320,000)	\$136,800
		Restores FY 1997-98 level of attrition savings to the Department, which the Department has met, adjusted for known increases in staffing and positions being shifted to General Fund funding from grant funding at the end of FY 1997-98.					
05	013	Mandatory Fringe Benefits			1,974,012	1,943,916	30,096
		Corresponds to reduction in salaries.					

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: DAT - District Attorney/Family Support

Page No.	Object	Account Title	Position/ Equipment Number	Number From To	Amount From	To	Savings
<u>Family Support Program (CAF)</u>							
130	001	Permanent Salaries - Misc			\$6,806,045	\$6,706,818	*
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.					
153	001	Attrition Savings - Misc	9993M		(100,773)	(200,000)	\$99,22
		Establishes a level consistent with the Family Support program's actual attrition level.					
130	013	Mandatory Fringe Benefits			1,675,033	1,650,226	24,80
		Corresponds to reduction in salaries.					
Total Recommended Reductions							<hr/> \$290,93

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: PDR PUBLIC DEFENDER

**Budget Volume: 1
Budget Page: 251**

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$10,178,533	\$10,580,479	\$401,946	3.9 %
Other Department Revenue				-
Dept. General Fund Revenue				-
Supplemental Appropriations	109,207		(109,207)	-100.0
Total Sources	\$10,287,740	\$10,580,479	\$292,739	2.8 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$10,178,533	\$10,580,479	\$401,946	3.9 %
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	\$10,178,533	\$10,580,479	\$401,946	3.9 %
Supplemental Appropriations	109,207		(109,207)	-100.0
Total Uses	\$10,287,740	\$10,580,479	\$292,739	2.8 %
Mayor's Listed Positions:				
Permanent	106.50	111.00	4.50	4.2 %
Temporary				-
Attrition Savings	(5.75)	(5.86)	(0.11)	-1.9
Subtotal, Mayor's Budget	100.75	105.14	4.39	4.4 %
Adjustments (FTE):				
Overtime				- %
Supplemental Appropriations	2.00		(2.00)	-100.0
Other Adjustments				-
Total FTE	102.75	105.14	2.39	2.3 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: PDR - Public Defender

Financial Data:

The Public Defender Department's proposed \$10,580,479 budget for FY 1998-99 is \$401,946 or 3.9 percent more than the original FY 1997-98 budget of \$10,178,533. The net increase from the revised FY 1997-98 budget to the proposed FY 1998-99 budget is \$301,739 or 2.9 percent.

Summary of Budgeted Activities:

Activity	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Criminal and Special Defense	<u>\$10,178,533</u>	<u>\$10,278,740</u>	<u>\$10,580,479</u>
TOTAL	\$10,178,533	\$10,278,740	\$10,580,479

Department Personnel Changes:

The Department's proposed budget reflects that permanent staffing will increase by 4.5 FTEs over the original budget. However, the Department has only requested 2.5 more FTEs instead of 4.5 FTEs or 2 FTEs less than what the budget reflects. The 2.5 FTE increase is actually comprised of two new Attorney positions approved by the Board of Supervisors in FY 1997-98 through a supplemental appropriation and an additional two .25 FTEs to reflect the annualization of one 1632 Senior Account Clerk and one 8174 Attorney - Civil and Criminal approved in the FY 1997-98 budget.

Department Expenditure Increases:

The Public Defender has budgeted \$12,000 to purchase a replacement automobile. The department keeps a fleet of eight automobiles to be used by their investigators. The automobile that will be replaced is over ten years old. We recommend approval of this expenditure.

Comment:

The Mayor's Budget provides for an increase of \$401,946. Our recommended reductions, which total \$121,004, would still allow for an increase of \$280,942 or 2.8 percent in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: PDR - Public Defender

Page No.	Object	Account Title	Position/ Equipment Number	Number From	To	Amount From	To	Savings
<u>Criminal and Special Defense (AIB)</u>								
253	001	Permanent Salaries - Misc * The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.				\$7,551,206	\$7,451,761	*
255	001	Attorney - Civil and Criminal The Department's budget incorrectly includes three 8174 Attorney - Civil and Criminal positions or two more positions than the Department requested. Therefore our recommendation deletes the two additional positions to correct the budget.	8174	3	1	162,999	63,554	\$99,445
253	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.				1,637,015	1,615,456	21,559
Total Recommended Reductions								\$121,004

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: SHF SHERIFF

**Budget Volume: I
Budget Page: 345**

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$68,828,465	\$65,217,132	(\$3,611,333)	-5.2 %
Other Department Revenue	1,105,387	1,956,570	851,183	77.0
Recoveries	497,899	512,218	14,319	2.9
Dept. General Fund Revenue	880,500	6,714,738	5,834,238	662.6
Supplemental Appropriations	2,444,833		(2,444,833)	-100.0
Total Sources	\$73,757,084	\$74,400,658	\$643,574	0.9 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$68,764,058	\$74,050,658	\$5,286,600	7.7 %
Fac. Maint. / Capital Imp.	2,548,193	350,000	(2,198,193)	-86.3
Subtotal - Mayor's Budget	\$71,312,251	\$74,400,658	\$3,088,407	4.3 %
Supplemental Appropriations	2,444,833		(2,444,833)	-100.0
Total Uses	\$73,757,084	\$74,400,658	\$643,574	0.9 %
Mayor's Listed Positions:				
Permanent	844.75	896.69	51.94	6.1 %
Temporary	5.50	5.50	-	-
Attrition Savings	(51.36)	(52.46)	(1.10)	-2.1
Project Positions	(1.00)	(1.00)	-	-
Subtotal, Mayor's Budget	797.89	848.73	50.84	6.4 %
Adjustments (FTE):				
Overtime	17.21	19.76	2.55	14.8 %
Supplemental Appropriations	37.00		(37.00)	-100.0
Other Adjustments	(1.00)		1.00	100.0
Total FTE	851.10	868.49	17.39	2.0 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: SHF - Sheriff

Financial Data:

The Sheriff Department's proposed \$74,050,658 operating budget for FY 1998-99 is \$5,286,600, or 7.7 percent more than the original FY 1997-98 budget of \$68,764,058. The net increase from the revised FY 1997-98 budget to the proposed budget is \$2,890,243 or 4.1 percent.

Summary of Budgeted Activities:

<u>Activity</u>	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Alternative Programs	\$4,469,775	\$4,571,249	\$4,493,081
Besk Case	2,269,437	2,099,437	2,723,864
Civil Enforcement	2,017,993	2,017,993	2,046,388
County Jail 8 & 9	15,267,440	15,267,440	14,782,620
Court Security and Process	5,898,711	6,159,722	5,834,238
Departmental Services	4,124,438	4,126,387	4,722,424
Grant Services	399,493	399,493	971,570
Hall of Justice Jails	13,675,740	13,845,740	13,766,847
Jail Programs	702,289	1,030,689	1,272,137
Jail Services	7,563,110	7,563,110	8,010,254
San Bruno Jails	11,081,554	11,081,554	8,070,192
Sheriff Administration	991,179	994,747	1,674,538
Treasure Island Jail	0	2,142,184	5,365,287
Work Order Services	479,899	497,899	512,218
Dept. Transfer Adjustments	<u>(195,000)</u>	<u>(637,229)</u>	<u>(195,000)</u>
Operating Expenditures	\$68,764,058	\$71,160,415	\$74,050,658
Facilities Main./Capital Imps.	<u>2,548,193</u>	<u>2,548,193</u>	<u>350,000</u>
Total Budget	\$71,312,251	\$73,708,608	\$74,400,658

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: SHF - Sheriff

Department Revenues:

The Sheriff's Department's projected revenues are budgeted to increase through additional grant funding including an increase in the Local Law Enforcement Block Grant and the AB 3229 COPS program grant. Starting in FY 1998-99, the Sheriff's costs for court security services will be covered by State Trial Court funding. The State has taken over funding for most functions of the courts, including courthouse security which is provided by the Sheriff's Department. Approximately \$5.8 million of Sheriff's Department costs will be covered by this State funding source starting in FY 1998-99.

Department Personnel Changes:

The Sheriff's Department's staffing is proposed to increase by 50.84 full time equivalents (FTEs) compared to the original FY 1997-98 budget. Of the 50.84, 26.25 FTEs are proposed new positions. The remaining increase of 24.59 FTEs is attributable to full year funding for positions approved in the FY 1997-98 original budget or through supplemental appropriations mid year. These positions were added to provide staffing at the new Treasure Island jail and to enhance security services at the new courthouse. A summary of the changes is as follows:

New positions for San Bruno jail	8.25
Proposed new positions for City Hall security	9.75
Proposed new position for personnel examinations	0.75
Proposed new management position	0.75
New grant funded positions	4.00
New Inmate Welfare Fund funded positions	2.75
Full year funding of positions approved for new Treasure Island jail facility in FY 1997-98	26.09
New positions for security at new courthouse ¹	-1.31
Adjustment in attrition savings	-0.19
Total	50.84

¹ Staffing has increased by 8 FTEs but Attrition Savings was applied to this program for the first time in FY 1998-99, reducing the net increase to -1.31

The additional costs associated with the new positions and full year funding of positions approved in FY 1997-98 is approximately \$1.7 million. It should be noted that 37 new positions were approved through

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: SHF - Sheriff

supplemental appropriations during FY 1997-98 including staff for Treasure Island and courthouse security.

Department Expenditure Increases

Besides staffing, increases are also proposed for materials and supplies and other current expenses for the new Treasure Island jail, new office equipment and furniture for the move back to City Hall, new metal detectors for security at City Hall, and increased expenditures related to grant funded programs.

Comments:

The Mayor's budget provides for an increase of \$5,286,600 in FY 1998-99. Our recommended reductions, which total \$1,003,904 would allow an increase of \$4,282,696, or 6.2 percent in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS

1998-99

Department: SHF - Sheriff/Besk Case

Page No.	Object	Account Title	Position/ Equipment Number	Number		Amount		Savings
				From	To	From	To	
61	001	Permanent Salaries - Misc. * The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.				\$1,804,986	\$1,479,199	*
90	001	Deputy Sheriff These new positions are requested for the San Bruno Jail facility to replace some of the approximately 39 positions being transferred from the San Bruno jail to the new Treasure Island jail. The Department reports that an outside consultant's staffing plan for San Bruno recommends a higher level of staffing at that facility than originally anticipated when the Department devised its planned transfer of San Bruno staff to the Treasure Island facility. The additional staffing at San Bruno is now being requested to provide this higher level of staffing in anticipation of possible settlement conditions of the pending Besk/Jones lawsuit which addresses staffing at the San Bruno facility. We do not believe these 8.25 new Deputy Sheriff positions should be added at this time because: (1) a settlement has not been reached in the case indicating that the additional staffing or what specific level of additional staffing is required and (2) the Department already has dedicated 33 positions to address the staffing concerns of the Besk/Jones case.	8304N	8.25	0	325,787	0	\$325,787
51	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.				694,631	569,255	125,376

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: SHF - Sheriff/Hall of Justice Jails

Page No.	Object	Account Title	Position/ Equipment Number	Number From To	Amount From To	Savings
374	001	Permanent Salaries - Misc. <ul style="list-style-type: none"> The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications. 			\$7,590,575 \$7,490,575	-
397	001	Attrition Savings - Misc. This reduction is recommended so that attrition savings more accurately reflects the Department's FY 1997-98 level of salary spending and its vacancy rate.	9993M		(473,873) (573,873)	\$100,000
374	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.			3,092,866 3,051,866	41,000

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: SHF - Sheriff/County Jail 8 & 9

Page No.	Object	Account Title	Position/ Equipment Number	Number		Amount		Savings
				From	To	From	To	
76	001	Permanent Salaries - Misc * The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.				\$8,879,436	\$8,779,436	*
98	001	Attrition Savings - Misc This reduction is recommended so that attrition savings more accurately reflects the Department's FY 1997-98 level of salary spending and its vacancy rate.	9993M			(495,877)	(595,877)	100,000
76	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.				3,438,899	3,399,899	39,000

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: SHF - Sheriff/San Bruno Jail

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
378	001	Permanent Salaries - Misc. * The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.				\$3,529,298	\$3,429,298	*
399	001	Attrition Savings - Misc This reduction is recommended so that attrition savings more accurately reflects the Department's FY 1997-98 level of salary spending and its vacancy rate.	9993M			(1,471,523)	(1,471,523)	\$100,000
378	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.				1,366,363	1,327,363	39,000

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: SHF - Sheriff/Treasure Island Jail

Page No.	Object	Account Title	Position/ Equipment	<u>Number</u>		<u>Amount</u>		<u>Savings</u>
			<u>Number</u>	<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
82	040	Materials & Supplies				\$410,000	\$363,000	\$47,000
		This amount provides for the actual materials and supplies costs for the Treasure Island jail as documented by the Department plus additional funds to provide the same amount per inmate as is funded at the other jail facilities operated by the Sheriff.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: SHE - Sheriff/Court Security

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
383	011	Overtime				\$247,676	\$215,176	\$32,500
		Some of the overtime expenditures incurred in FY 1997-98 was for 24 hour security at the new courthouse, provided by Deputy Sheriffs. The Department has indicated that it will no longer be providing service 24 hours per day, thus eliminating the need for the same level of overtime as budgeted in FY 1997-98. In addition, the Department is adding Police Cadets to its court security staff which will lower the costs of overtime, when needed. The reduction reflects the change to 14 hours of security service per day instead of 24 provided since January, 1998.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: SHE - Sheriff/Administration

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
86	060	Equipment Purchase				\$513,899	\$459,658	*
		* The recommended reduction in equipment is the total of the following specific recommendations.						
18		Office Equipment	06098			213,703	170,962	\$42,741
		Reduction to unspecified office equipment budget by 20 percent based on identification of reduced need for Departments that are moving back into City Hall. Approval of the balance of \$170,962 is a policy matter for the Board of Supervisors.						
18		Systems Furniture Unit	SF001N	46	46	300,196	288,696	11,500
		To reduce the unit price by \$250 from \$6,526 to \$6,276.						
Total Recommended Reductions								\$ 1,003,904

BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY

Department: ADP ADULT PROBATION

Budget Volume: 1
Budget Page: 1

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$7,379,958	\$7,616,537	\$236,579	3.2 %
Other Department Revenue	1,350,260	1,377,999	27,739	2.1
Dept. General Fund Revenue	542,611	366,511	(176,100)	-32.5
Supplemental Appropriations				-
Total Sources	\$9,272,829	\$9,361,047	\$88,218	1.0 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$9,272,829	\$9,361,047	\$88,218	1.0 %
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	\$9,272,829	\$9,361,047	\$88,218	1.0 %
Supplemental Appropriations				-
Total Uses	\$9,272,829	\$9,361,047	\$88,218	1.0 %
Mayor's Listed Positions:				
Permanent	130.25	130.00	(0.25)	-0.2 %
Temporary	0.58	0.58		
Attrition Savings	(10.32)	(10.27)	0.05	0.5
Subtotal, Mayor's Budget	120.51	120.31	(0.20)	-0.2 %
Adjustments (FTE):				
Overtime	0.15	0.14	(0.01)	-6.9 %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	120.66	120.45	(0.21)	-0.2 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: ADP - Adult Probation

Financial Data:

Adult Probation's proposed \$9,361,047 budget for FY 1998-99 is \$88,218 or 1.0 percent more than the original FY 1997-98 budget of \$9,272,829. The net increase from the revised FY 1997-98 budget to the proposed budget is \$83,690 or .9 percent.

Summary of Budgeted Activities:

<u>Activity</u>	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Administration-Adult Probation	\$2,979,433	\$2,981,389	\$3,015,955
Community Services	4,185,107	4,186,393	4,228,546
Pre-Sentencing Investigation	<u>2,108,289</u>	<u>2,109,575</u>	<u>2,116,546</u>
TOTAL	9,272,829	9,277,357	9,361,047

Department Revenues:

The Adult Probation Department's projected revenue amount of \$1,744,510 for 1998-99 is \$148,361 or 7.8 percent less than the projected revenue amount for 1997-98.

Department Personnel Changes:

Adult Probation is proposing to eliminate two 8444 Deputy Probation Officers and substitute one 8435 Division Director for a total decrease of \$50,911 in salaries and benefits. The Department is also proposing to add one new .75 FTE 8434 Supervising Adult Probation Officer for a total increase of \$49,345 in salaries and benefits. In addition, the Department is proposing to eliminate one Senior Storekeeper and two Senior Clerk Typists and substitute three Clerk Typists for a total increase of \$15,745 in salaries and benefits. These position substitutions have been approved by staff of the Human Resources Department. The net change in staffing would be a decrease of .25 FTE, as shown below.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: ADP - Adult Probation

Program	Position	Increase/ (Decrease) in FTE
Community Services	8444 Deputy Probation Officer	(2.00)
Community Services	8435 Division Director, Adult Probation	1.00
Community Services	8434 Supervising Adult Probation Officer	0.75
Administration	1424 Clerk Typist	(3.00)
Administration	1426 Senior Clerk Typist	2.00
Administration	1936 Senior Storekeeper	1.00
FTE Change		(0.25)

Department Expenditure Increases:

The budget for Adult Probation shows an increase of \$8,500 in Equipment Services and an increase of \$21,500 for Materials and Supplies. The Department is also proposing a \$25,000 increase in their budget to lease equipment. This is to correct an error in last year's budget which under-budgeted for the cost of the Department's Dictaphone system.

Comments:

The Mayor's budget provides for an increase of \$88,218. Our recommendations, which total \$79,345, would still allow an increase of \$8,873 or 0.1 percent in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: ADP - Adult Probation

Page No.	Object	Account Title	Position/ Equipment Number	Number From	To	Amount From	To	Savings
<u>Community Services (AKB)</u>								
7	001	Permanent Salaries - Misc * The recommended reduction in Permanent Salaries - Misc is the total of the following specific recommendations regarding individual classifications.				\$2,847,110	\$2,810,202	*
14	001	Supervising Adult Probation Officer Adult Probation has indicated that they would like to double the nine Probation Officers who are currently working in their Domestic Violence Unit, although the Department's FY 1998-99 budget does not include a request for additional Probation Officers. However, the Department's budget does include a request for a new .75 FTE 8434 Supervising Adult Probation Officer which would become 1 FTE on an annualized basis. The duties of this position would be to monitor the work of the Domestic Violence Unit and to supervise nine additional Probation Officers who have not been included in the Mayor's recommended FY 1998-99 budget. Because much of the responsibility of this position would involve supervising nine new Probation Officers, whose positions are not even included in the FY 1998-99 budget, and because the Department already has one existing Supervising Adult Probation Officer who supervises the nine existing Probation Officers in the Domestic Violence Unit, the addition of one new Supervising Adult Probation Officer should not be approved at this time.	8434	0.75	0	36,908	0	\$36,9

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: ADP - Adult Probation

Page No.	Object	Account Title	Position/ Equipment Number		Amount		Savings
			Number	To	From	To	
7	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.			\$959,432	\$946,995	\$12,437
7	040	Materials and Supplies The Department did not intend to increase expenditures on this item.			36,500	15,000	21,500
7	060	Equipment Purchase This item was inadvertently included in the budget and was not requested by the Department.			8,500	0	8,500
Total Recommended Reductions							<hr/> \$79,345

BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY

Department: FIR FIRE DEPARTMENT

Budget Volume: 1
Budget Page: 159

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$99,688,798	\$101,756,381	\$2,067,583	2.1 %
Other Department Revenue	7,799,943	7,690,325	(109,618)	-1.4
Recoveries	1,206,290	2,986,000	1,779,710	147.5
Dept. General Fund Revenue	42,493,733	46,866,233	4,372,500	10.3
Supplemental Appropriations	2,400,000		(2,400,000)	-100.0
Total Sources	\$153,588,764	\$159,298,939	\$5,710,175	3.7 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$150,672,128	\$159,102,939	\$8,430,811	5.6 %
Fac. Maint. / Capital Imp.	516,636	195,000	(320,636)	-62.1
Subtotal - Mayor's Budget	\$151,188,764	\$159,298,939	\$8,110,175	5.4 %
Supplemental Appropriations	2,400,000		(2,400,000)	-100.0
Total Uses	\$153,588,764	\$159,298,939	\$5,710,175	3.7 %
Mayor's Listed Positions:				
Permanent	1,814.19	1,842.19	28.00	1.5 %
Temporary	3.43	3.43		-
Attrition Savings	(65.26)	(49.92)	15.34	23.5
Subtotal, Mayor's Budget	1,752.36	1,795.70	43.34	2.5 %
Adjustments (FTE):				
Overtime	49.04	57.46	8.41	17.2 %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	1,801.40	1,853.16	51.75	2.9 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **FIR – Fire Department**

Financial Data:

The Fire Department's proposed \$159,102,939 operating budget for FY 1998-99 is \$8,430,811 or 5.6 percent more than the original FY 1997-98 budget of \$150,672,128. The net increase from the revised FY 1997-98 budget of \$152,679,692 to the proposed FY 1997-98 budget is \$6,423,247 or 4.2 percent.

Summary of Budgeted Activities:

<u>Activity</u>	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Administration-Fire Dept.	\$6,746,659	\$6,747,925	\$7,624,616
Consent Decree/Stipulated Order	2,732,282	2,233,883	2,241,835
Emergency Medical/Paramedic Svcs.	17,797,261	17,800,227	18,889,583
Fire Airport	6,100,590	6,100,590	6,468,893
Fire Bureau of Training	1,812,083	1,812,083	1,850,955
Fire Computer Aided Dispatch	563,456	565,187	313,589
Fire Investigation	1,142,507	1,142,507	1,174,154
Fire Neighborhood Emerg.Resp.Tng.	162,788	162,788	164,894
Fire Port Fireboat	1,182,717	1,182,717	1,221,432
Fire Prevention	3,985,112	3,985,112	4,051,168
Fire Support Services	3,052,294	3,552,294	3,184,927
Fire Suppression	104,188,089	106,188,089	108,930,893
Work Order Services	<u>1,206,290</u>	<u>1,206,290</u>	<u>2,986,000</u>
Subtotal	\$150,672,128	\$152,679,692	\$159,102,939
Facilities Maint./Cap. Improv.	<u>516,636</u>	<u>516,636</u>	<u>196,000</u>
TOTAL	\$151,188,764	\$153,196,328	\$159,298,939

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **FIR- Fire Department**

Department Personnel Changes:

The Fire Department's FY 1998-99 budget contains a total of 28 new FTE permanent positions which represents 30 new position on an annualized basis, as shown below:

Position Number	Position Classification	Mayor's Budget Request Number of Positions	Amount Budgeted	Annualized Number of Positions	Annualized Salaries at Top Step
H2	Firefighter	12.00	\$672,589	12.00	\$654,588
H20	Lieutenant, (Fire Dept.)	5.00	325,299	5.00	316,593
H30	Captain, (Fire Dept.)	<u>1.00</u>	<u>74,339</u>	<u>1.00</u>	<u>72,349</u>
	Treasure Island Positions	18.00	\$1,072,227	18.00	\$1,043,530
1022	Administrator II	.75	33,003	1.0	53,453
1042	Personnel Analyst	.75	31,085	1.0	52,800
1932	Assistant Storekeeper	3.00	62,147	3.0	102,808
2328	Nurse Practitioner	1.00	66,751	1.0	75,794
H1	Paramedic	<u>4.50</u>	<u>229,172</u>	<u>6.0</u>	<u>361,589</u>
	Total Position Request	28.00	\$1,494,385	30.0	\$1,689,974

Including a reduction in Attrition Savings and Other Adjustments, a total of 51.75 additional FTEs are included in the FY 1998-99 budget over FY 1997-98.

Comments:

1. The Budget Analyst is recommending approval of the 18 new permanent uniformed positions for Treasure Island and 6 new positions to provide assistance and relief for paramedic units with the highest workloads. The Budget Analyst is also recommending continuation of one Nurse Practitioner position approved by supplemental appropriation during fiscal year 1997-98 and three Assistant Storekeeper positions that were transferred to the Fire Department last year, but were not included in the Fire Department's budget. Therefore, in total the Budget Analyst is recommending approval of 28 of the 30 new permanent positions requested by the Department. The Budget Analyst is not recommending two new Non Uniformed Administrative positions.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: FIR- Fire Department

2. The Department's Fiscal Year 1997-98 budget included \$3,685,040 for overtime expenditures including uniform and civilian overtime. Overtime expenditures in Fiscal Year 1997-98 are currently estimated at approximately \$7.3 million or an estimated \$3.6 million more than the amount budgeted as shown in the following table.

	<u>Fiscal Year 1997-98</u>			<u>Fiscal Year</u> <u>1998-99</u>	<u>Increase</u> <u>(Decrease)</u> <u>of FY 1998-99</u> <u>Over FY 1997-98</u>
	<u>Original</u> <u>Budget</u>	<u>Estimated</u> <u>Expenditures</u>	<u>Estimated</u> <u>Deficit</u>	<u>Mayor's</u> <u>Request</u>	<u>Estimated</u> <u>Expenditures</u>
Fire Department Overtime:					
General fund	\$2,475,270	\$6,387,771	(\$3,912,501)	\$4,154,117	(\$2,233,654)
Airport Operating Fund	1,113,177	870,703	242,474	1,313,177	442,474
Port Operating Fund	<u>96,593</u>	<u>61,248</u>	<u>35,345</u>	<u>96,593</u>	<u>35,345</u>
Total	\$3,685,040	\$7,319,722	(\$3,634,682)	\$5,563,887	(\$1,755,835)

* Includes \$28,621 in civilian overtime.

The Board of Supervisors approved a supplemental appropriation request in amount of \$1.9 million for additional uniform overtime during Fiscal Year 1997-98 and the Department has implemented various measures to reduce uniform overtime usage. For FY 1998-99, the Mayor's recommended budget includes the addition of 18 new permanent positions for staffing Treasure Island, at a cost of \$1,072,227 in uniform salaries and reduced Attrition Savings of \$406,116 in the Fire Suppression Unit. Therefore, permanent uniform salaries have been increased by \$1,478,343 as a result of these two actions. This increase in permanent uniform staffing will therefore reduce the need for Fire Suppression Unit overtime spending in FY 1998-99. As noted on the table above, the FY 1998-99 General Fund budget for overtime is \$4,154,117 or \$2,233,654 less than the estimated expenditures of \$6,387,771 for FY 1997-98.

3. The Mayor's budget provides for an increase of \$8,430,811. Our recommended reductions which total \$496,372, would still allow \$7,934,439 or 5.3 percent in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: FIR/Fire Department

Page No.	Object	Account Title	Position/ Equipment Number	Number From To	Amount From	To	Savings
<u>Consent Decree/Stipulated Order (AEB)</u>							
167	005	Temporary Salaries - Misc. To eliminate the budget for temporary salaries. No temporary salary funds were used during the last two fiscal years for this unit.			\$47,577	0	\$47,577
167	081	Services of Other Departments To reduce funding to reflect the exact total amount included in the Department's explanations.			787,169	\$510,000	277,169
<u>Fire Suppression (AEC)</u>							
169	022	Training Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.			44,680	37,000	7,680
169	035	Other Current Expenses Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.			192,000	162,000	30,000

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: FIR/Fire Department

Page No.	Object	Account Title	Position/ Equipment Number			Amount		Savings
			Number	From	To	From	To	
169	052	Taxes, Licenses & Permits				\$13,022	\$3,022	\$10,000
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.						

Fire Prevention (AED)

171	001	Permanent Salaries - Misc.				1,271,017	1,248,017	-
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.						
190	001	Attrition Savings - Misc.	9993M			(176,527)	(199,527)	23,000
		Increase Attrition Savings to actual 1997-98 expenditure level adjusted for salary standardization.						
171	013	Mandatory Fringe Benefits				599,868	595,568	4,300
		Corresponds to reduction in salaries.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **FIR/Fire Department**

Page No.	Object	Account Title	Position/ Equipment Number			Amount		Savings
			Number	From	To	From	To	
171	040	Materials & Supplies				\$30,300	\$25,300	\$5,000
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.						

Administration - Fire Department (ASF)

183	001	Permanent Salaries - Misc.				1,009,450	945,362	*
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.						
198	001	Administrator II	1022N	0.75	0	33,003	0	33,003
198	001	Personnel Analyst	1242N	0.75	0	31,085	0	31,085
		To delete two new non uniformed administrative positions which are not sufficiently justified. The Department has three existing Personnel Analysts and two existing Administrator III positions. However, our recommendations provide for the approval of 28 of the 30 requested new positions for the Department.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: FIR/Fire Department

Page No.	Object	Account Title	Position/ Equipment Number	Number From To	Amount From To	Savings
183	013	Mandatory Fringe Benefits			\$417,195 \$403,990	\$13,205
		Corresponds to reduction in salaries.				
183	035	Other Current Expenses			35,853 21,500	14,353
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.				
Total Recommended Reductions						\$496,377

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: POL POLICE

**Budget Volume: I
Budget Page: 258**

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$176,181,897	\$191,031,462	\$14,849,565	8.4 %
Other Department Revenue	22,306,102	28,301,196	5,995,094	26.9
Recoveries	1,620,027	2,538,200	918,173	56.7
Dept. General Fund Revenue	28,371,201	30,726,022	2,354,821	8.3
Supplemental Appropriations				-
Total Sources	\$228,479,227	\$252,596,880	\$24,117,653	10.6 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$227,263,225	\$247,060,480	\$19,797,255	8.7 %
Fac. Maint. / Capital Imp.	1,216,002	5,536,400	4,320,398	355.3
Subtotal - Mayor's Budget	\$228,479,227	\$252,596,880	\$24,117,653	10.6 %
Supplemental Appropriations				-
Total Uses	\$228,479,227	\$252,596,880	\$24,117,653	10.6 %
Mayor's Listed Positions:				
Permanent	2,797.93	2,860.18	62.25	2.2 %
Temporary	1.39	1.39		-
Attrition Savings	(107.92)	(125.24)	(17.32)	-16.0
Subtotal, Mayor's Budget	2,691.40	2,736.33	44.93	1.7 %
Adjustments (FTE):				
Overtime	135.10	148.43	13.33	9.9 %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	2,826.50	2,884.76	58.26	2.1 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **POL - Police Department**

Financial Data:

The Police Department's proposed \$247,060,480 budget for FY 1998-99 is \$19,797,255 or 8.7 percent more than the original FY 1997-98 budget of \$227,263,225. The net increase from the revised FY 1997-98 budget to the proposed budget is \$17,620,593 or 7.7 percent.

Summary of Budgeted Activities:

Program	Fiscal Year 1997-98		Fiscal Year 1998-99
	Original	Revised	
Police Services		\$35,000	\$ 3,506,496
Airport Police	\$19,079,177	19,079,177	18,213,698
SFPD - Investigations	21,866,432	21,866,432	23,354,164
Narcotics Forfeiture	400,000	403,946	1,050,000
Taxi Enforcement	500,000	500,000	540,000
Fingerprint	1,152,000	1,152,000	1,872,000
SAFE Contract	542,250	542,250	542,250
911 Communications	15,902,131	15,902,131	16,256,787
Operations and Administration	25,245,058	25,245,058	24,564,285
Work Order Services	1,718,666	1,718,666	2,538,200
Law Enforcement Grant	-	-	429,600
Special Investigations	7,809,515	7,809,515	8,252,430
SFPD Consent Decree	1,985,978	1,985,978	2,008,509
Office Of Citizen Complaints	1,877,439	2,065,338	2,180,579
Senior Escort Service	1,290,119	1,291,219	1,321,767
Patrol	109,775,799	111,724,516	121,154,799
Special Operations	<u>18,118,661</u>	<u>18,118,661</u>	<u>19,274,916</u>
Totals	\$ 227,263,225	\$ 229,439,887	\$ 247,060,480
Facilities Maint./Capital Imps.	<u>1,216,002</u>	<u>1,216,002</u>	<u>5,536,400</u>
Gross Expenditures	\$ 228,479,227	\$ 230,675,889	\$ 252,596,880

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: POL – Police Department

Department Revenues:

The San Francisco Police Department's (SFPD) non-General Fund revenues have increased by a net amount of \$5,995,094, and General Fund Departmental revenue in the net amount of \$2,354,821, primarily from increased Federal Law Enforcement Grant funds, Narcotics Forfeiture funds, Taxi Enforcement funds and Fingerprint Identification special fund revenues.

All expenditures related to the Airport Police program are supported by San Francisco International Airport revenue in the amount of \$18,213,698 for the FY 1998-99 budget.

Work order recoveries have increased by \$918,173 based primarily on the Mayor's proposal to increase police services to the Municipal Railway (see discussion below).

Department Expenditures:

The Mayor's Recommended FY 1998-99 budget has added 11 Police Officer positions for work order services to enforce the payment of fares on the Municipal Railway. The increased cost of these new positions for salaries and fringe benefits, which will be offset by increased work order recoveries from the Municipal Railway, amounts to \$819,534. The Budget Analyst notes however that the increased expenditure to the Municipal Railway is a cost to the General Fund. Therefore, the General Fund will not benefit financially unless a fare payment enforcement program results in increased Muni fare collections.

The Mayor's Recommended FY 1998-99 budget has also added funding for 37 new Police Officer positions for patrol services on Treasure Island. The FY 1998-99 cost of the 37 new Police Officer positions is \$1,579,672 in salaries plus \$295,398 in mandatory fringe benefits for a total increased cost of \$1,875,070.

Overall, the Mayor's Recommended FY 1998-99 budget for the SFPD provides funding for 2,096 sworn FTE, not including the Airport Police. The mandated staffing level for SFPD sworn personnel required by the Charter is 1,972 full duty positions. The SFPD has maintained that staffing above the 1,972 level is required to meet full duty staffing requirements because of the number of sworn personnel on disability or modified duty. The Budget Analyst's recent Phase 2 Performance Audit report found that a total of 58 sworn positions, over and above the Charter mandated 1,972 full duty staffing level, is necessary to account for the typical number of Police Officers on temporary disability or short term modified duty. However, the SFPD also has up to 60 Police Officers that are on permanent modified duty and are unable to perform full police duties. The SFPD has recently implemented a policy that will enforce requirements for disability retirement if a Police Officer remains on modified duty for more than one year and is unable to return to full duty. Once this policy is fully enforced, the SFPD will need to maintain staffing of 2,030 sworn positions to meet Charter mandated full staffing requirements (1,972

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **POL – Police Department**

full duty positions mandated by the Charter plus 58 positions to accommodate temporary disability or short term modified duty.

For the last several fiscal years, Police Overtime has been underbudgeted. In FY 1997-98, the SFPD has exceeded its overtime budget by an estimated \$2,500,000, according to the Controller's latest expenditure projections. This overexpenditure has been offset by salary and fringe benefit savings. For the FY 1998-99 budget, the Mayor has recommended an increase in General Fund overtime expenditures of \$1,500,000 to \$11,085,782. Based on current year spending therefore, Police Overtime may be underbudgeted by \$1,000,000. The actual amount of Police Overtime needed in excess of the annual budget appropriation will depend largely on the level of special event coverage required of the SFPD. Also, as reported in the Budget Analyst's Phase 2 Performance Audit, the Department is preparing legislation for submission to the Police Commission and the Board of Supervisors to increase special event cost recovery by as much as \$650,000 on an annual basis. It is unlikely however, that such legislation could be approved and enacted during FY 1998-99 to recover the full amount of \$650,000.

The SFPD's FY 1998-99 budget includes equipment expenditures of \$11,041,109 includes \$6,459,927 in grant funds (for continuing acquisition of mobile computers, software, communications equipment and related items), Narcotics Forfeiture Funds for Crime Lab equipment, Automated Fingerprint Identification funds for continuing upgrades to the SFPD's Automated Fingerprint Identification System (AFIS), and up to five used automobiles for undercover surveillance by the Taxi Enforcement Unit.

General Fund equipment purchases of \$4,581,182 are primarily for the SFPD's vehicle replacement program and ongoing lease purchase payments. The Mayor's Director of Finance has submitted a technical correction to the FY 1998-99 SFPD budget reducing the General Fund budget for equipment by \$1,666,786 from \$4,581,182 to \$2,914,396. This reduction corrects duplicated expenditures for vehicle purchases in the Mayor's Recommended FY 1998-99 budget.

The SFPD's FY 1998-99 budget contains funding for two new Capital Improvement Projects (CIP) that have been approved by the Capital Improvements Advisory Committee (CIAC). The first CIP would spend \$4,227,000 for improvements to lease property at 301 Eddy Street for relocation of the Tenderloin Task Force. A second CIP, in the amount of \$1,149,400 would construct improvements to existing buildings and structures for a new Training Facility on Treasure Island.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: POL – Police Department

Comment:

The Budget Analyst initially recommended reductions to the Police Department's Permanent Salaries-Uniform account of \$1.98 million plus fringe benefits. However, the calculations that resulted in that recommendation were based on uniform salaries shown in the Mayor's budget that did not include salary increases granted to Police Officers who possess POST certificates. Such increases were granted when the Board of Supervisors approved an amendment to the Police Officers Association Memorandum of Understanding in November, 1997. A recalculation of the Police Department's Uniform salary needs using corrected salary rates for FY 1998-99 results in our recommended reduction to salaries and mandatory fringe benefits of \$425,796 in the attached recommendations.

The Mayor's budget provides for an increase of \$19,797,255. Our recommended reductions, which total \$425,796, would still allow an increase of \$19,371,459 or 8.5% in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: POL - Police Department

Page No.	Object	Account Title	Position/ Equipment Number		Amount		Savings
			Number	From To	From	To	
		<u>Patrol (ACX)</u>					
304	002	Permanent Salaries - Uniform * The recommended reduction to Permanent Salaries - Uniform is the total of the following specific recommendations.			\$75,388,221	\$75,029,505	*
327	002	Attrition Savings - Uniform Department-wide attrition savings for Permanent Salaries - Uniform is budgeted in this program. Based on a review of current spending for uniform salaries, the amounts required for FY 1998-99 at new rates of pay, less projected attrition savings with allowances for the SFPD hiring plan and promotion of Inspectors, Permanent Salaries - Uniform can be reduced by \$358,716.	9993M		(2,540,148)	(2,898,864)	\$ 358,716
304	013	Mandatory Fringe Benefits Corresponds to reductions in Permanent Salaries - Uniform..			12,301,948	12,234,868	67,080
Total Recommended Reductions							\$425,796

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MINUTES

DEPARTMENTAL BUDGET HEARINGS
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

WEDNESDAY, JUNE 24, 1998 - 1:00 P.M.

VETERANS BUILDING
401 VAN NESS AVENUE
ROOM 410

MEMBERS: SUPERVISORS MABEL TENG, BARBARA KAUFMAN, GAVIN NEWSOM

CLERK: JONI BLANCHARD

Meeting Commenced: 1:12 p.m.

1. File 98-0849. [Annual Budget] Consideration of the Annual Budget of the City and County of San Francisco for Fiscal Year 1998-99. (Mayor Willie L. Brown, Jr.)
(Consideration continued from 6/23/98)

SPEAKERS: Harvey Rose, Budget Analyst; See additional speakers below next to departments listed.

ACTION: Hearing held. Consideration continued to 6/25/98.

Culture and Recreation

USD	County Education Office - dna
SCI	Academy of Sciences - dna
ART	- Art Commission - dna
WAR	War Memorial - Beth Murray
FAM	Fine Arts Museum - Harry Parker
AAM	Asian Art Museum - Emily Sano
LIB	Public Library - Regina Minudri
REC	Recreation and Park Commission - Joel Robinson

Public Works, Transportation and Commerce

DPW	Public Works - Mark Primeau
DBI	Building Inspection - dna
AIR	Airport - John Martin
PRT	Port - Doug Wong
PTC	Parking and Traffic - Kathryn Hile
TIS	Telecommunications & Information Services - Jane Rubin
ECD	Emergency Communications Department - Mike Martin
PUC	Public Utilities Commission (PUC) - Anson Moran
LHP	Light, Heat and Power - Anson Moran
HHP	Hetch Hetchy Project - Anson Moran
WTR	Water - Anson Moran
CWP	Clean Water - Anson Moran
DPT	Municipal Railway - Emilio Cruz
	San Francisco Redevelopment Agency - Jim Morales

2. File 98-0937. [Redevelopment Agency Budget and Bonds, 1998-99] Resolution approving the Budget of the Redevelopment Agency of the City and County of San Francisco for fiscal year 1998-1999. (Redevelopment Agency)

SPEAKERS: Harvey Rose, Budget Analyst; Jim Morales,
Redevelopment Agency - support.

ACTION: Hearing held. Amended beginning on line 19 after "1998-1999" to delete "as the Budget is shown in Exhibit "A" attached hereto, which Exhibit "A" is incorporated herein and made a part hereof".
Recommended as amended to Board Meeting of 7/13/98.

VOTE ON ALL ITEMS WAS 3 - 0.

Meeting Adjourned: 2:35 p.m.

.25

/98

CITY AND COUNTY



OF SAN FRANCISCO

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BOARD OF SUPERVISORS

BUDGET ANALYST

1390 Market Street, Suite 1025, San Francisco, CA 94102 (415) 554-7642
FAX (415) 252-0461

June 22, 1998

TO: Finance Committee

FROM: Budget Analyst *Recommendations for meeting of...*

SUBJECT: Recommendations of the Budget Analyst for Amendment of the Mayor's Fiscal Year 1998-99 Budget.

The Budget Analyst is providing the attached budget recommendations for departments listed below which are the subject of the Finance Committee budget review.

Finance Committee Hearing- June 24, 1998, 1:00 p.m.

Culture and Recreation

Page

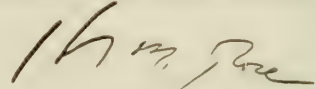
USD County Education Office	1
SCI Academy of Sciences	4
ART Art Commission	6
WAR War Memorial	9
FAM Fine Arts Museum	15
AAM Asian Art Museum	21
LIB Public Library	25
REC Recreation and Park Commission	32

Finance Committee Hearing- June 24, 1998, 1:00 p.m.

Page

Public Works, Transportation and Commerce

DPW	Public Works	47
DBI	Building Inspection	70
AIR	Airport	79
PRT	Port	94
PTC	Parking and Traffic	104
TIS	Telecommunications & Information Services	116
ECD	Emergency Communications Department	125
PUC	Public Utilities Commission (PUC)	132
LHP	Light, Heat and Power	150
HHP	Hetch Hetchy Project	153
WTR	Water	161
CWP	Clean Water	170
DPT	Municipal Railway	178
	San Francisco Redevelopment Agency	197



Harvey M. Rose

cc: Supervisor Teng	Gail Feldman
President Kaufman	Matthew Hymel
Supervisor Newsom	Stephen Kawa
Supervisor Ammiano	Ted Lakey
Supervisor Bierman	Mayor
Supervisor Brown	
Supervisor Katz	
Supervisor Leno	
Supervisor Medina	
Supervisor Yaki	
Supervisor Yee	
Clerk of the Board	
Controller	

BOARD OF SUPERVISORS
BUDGET ANALYST

BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY

Department: USD COUNTY EDUCATION OFFICE

Budget Volume: V
Budget Page: 2281

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$1,720,898	\$1,720,948	\$50	0.0 %
Other Department Revenue				-
Dept. General Fund Revenue				-
Supplemental Appropriations				-
Total Sources	\$1,720,898	\$1,720,948	\$50	0.0 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$1,720,898	\$1,720,948	\$50	0.0 %
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	\$1,720,898	\$1,720,948	\$50	0.0 %
Supplemental Appropriations				-
Total Uses	\$1,720,898	\$1,720,948	\$50	0.0 %
Mayor's Listed Positions:				
Permanent	11.00	11.00		- %
Temporary				-
Attrition Savings				-
Project Positions	(10.00)	(10.00)		-
Subtotal, Mayor's Budget	1.00	1.00		- %
Adjustments (FTE):				
Overtime				- %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	1.00	1.00		- %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: USD County Education Office

Financial Data:

The County Education Department's proposed \$1,720,948 budget for 1998-99 is \$50 or 0.003 percent more than the original FY 1997-98 budget of \$1,720,898. The net increase from the revised FY 1997-98 budget to the proposed FY 1998-99 budget is identical to the change from the original FY 1997-98 budget.

Summary of Budgeted Activities:

<u>Activity</u>	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year 1998-99</u>
	<u>Original</u>	<u>Revised</u>	
<u>General Fund</u>			
SFUSD Sports Program	\$1,056,000	\$1,056,000	\$1,056,000
Children's Baseline Services/ SFUSD Music Program	600,000	\$600,000	600,000
Administration	<u>64,898</u>	<u>64,898</u>	<u>64,948</u>
Total	<u>\$1,720,898</u>	<u>\$1,720,898</u>	<u>\$1,720,948</u>

Comments:

1. The SFUSD Sports Program is a disciplined, organized, competitive interschool program for High School and Middle School students that contributes to physical, social and emotional development.

2. The Children's Baseline Services supports elementary school music programs.

3. In accordance with the City Charter and the State Education Code, the City and County government is required to compensate members of the Board of Education, pay a portion of the County Superintendent's salary and pay certain fixed charges. Accordingly, this budget funds \$64,948 for the following items:

- \$42,000 for the seven members of the Board of Education (at \$500 each per month);
- \$9,510 of the Superintendent's salary;

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: USD County Education Office

- \$12,313 for mandatory fringe benefits (an increase of \$50 from FY 1997-98);
and
- \$1,125 for materials and supplies, to provide for the expenses of the
Superintendent of Schools.

4. Also included in the budget are 10 SFUSD personnel who manage the SFUSD capital programs. These positions are paid for out of bond funds.

Recommendations:

None

BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY

Department: SCI ACADEMY OF SCIENCES

Budget Volume: V
Budget Page: 2278

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$1,623,735	\$1,666,378	\$42,643	2.6 %
Other Department Revenue			-	-
Dept. General Fund Revenue			-	-
Supplemental Appropriations			-	-
Total Sources	\$1,623,735	\$1,666,378	\$42,643	2.6 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$1,583,735	\$1,591,378	\$7,643	0.5 %
Fac. Maint. / Capital Imp.	40,000	75,000	35,000	87.5
Subtotal - Mayor's Budget	\$1,623,735	\$1,666,378	\$42,643	2.6 %
Supplemental Appropriations			-	-
Total Uses	\$1,623,735	\$1,666,378	\$42,643	2.6 %
Mayor's Listed Positions:				
Permanent	9.00	9.00		- %
Temporary				-
Attrition Savings	(0.24)	(0.24)		-
Subtotal, Mayor's Budget	8.76	8.76		- %
Adjustments (FTE):				
Overtime	0.13	0.13		- %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	8.89	8.89		- %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: SCI - Academy of Sciences

Financial Data:

The Academy of Sciences proposed \$1,591,378 operating budget for 1998-99 is \$7,643 or 0.5 percent more than the original 1997-98 operating budget of \$1,583,735. The net increase from the revised 1997-98 operating budget is identical to the increase from the original operating budget.

Summary of Budgeted Activities:

<u>Program</u>	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
<u>General Fund</u>			
Academy of Sciences	\$1,583,735	\$1,583,735	\$1,591,378
Facilities Maintenance	<u>40,000</u>	<u>40,000</u>	<u>75,000</u>
Total	<u>\$1,623,735</u>	<u>\$1,623,735</u>	<u>\$1,666,378</u>

Department Personnel Changes:

None

Departmental Expenditures:

The Mayor's proposed budget provides for a \$35,000, or 87.5 percent, increase for Facilities Maintenance. The proposed increase is warranted based on the Department's actual FY 1996-97 and projected FY 1997-98 expenditures for Facilities Maintenance.

Recommendations:

None

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: ART ART COMMISSION

Budget Volume: V
Budget Page: 2071

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$1,615,783	\$1,580,741	(\$35,042)	-2.2 %
Hotel Tax	1,722,843	3,552,056	1,829,213	106.2
Other Department Revenue	367,153	379,450	12,297	3.3
Recoveries	288,352	443,851	155,499	53.9
Supplemental Appropriations				-
Total Sources	\$3,994,131	\$5,956,098	\$1,961,967	49.1 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$3,909,131	\$5,711,098	\$1,801,967	46.1 %
Fac. Maint. / Capital Imp.	85,000	245,000	160,000	188.2
Subtotal - Mayor's Budget	\$3,994,131	\$5,956,098	\$1,961,967	49.1 %
Supplemental Appropriations				-
Total Uses	\$3,994,131	\$5,956,098	\$1,961,967	49.1 %
Mayor's Listed Positions:				
Permanent	22.00	23.75	1.75	8.0 %
Temporary		0.43	0.43	-
Attrition Savings		0.01	0.01	-
Project Positions	(4.55)	(4.45)	0.10	2.2
Subtotal, Mayor's Budget	17.45	19.74	2.29	13.1 %
Adjustments (FTE):				
Overtime				- %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	17.45	19.74	2.29	13.1 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: ART - Art Commission

Financial Data:

The Art Commission's proposed \$5,711,098 operating budget for FY 1998-99 is \$1,801,967 or 46.1 percent more than the original FY 1997-98 operating budget of \$3,909,131. The net increase from the revised FY 1997-98 budget to the FY 1998-99 budget is \$834,001 or 17.1 percent.

Summary of Budgeted Programs:

<u>Programs</u>	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Art Commission - Administration	\$713,507	\$715,059	\$621,614
Street Artist Program	140,000	140,000	145,000
Public Art	371,113	1,083,931	382,379
Community Arts & Education	198,774	348,774	2,069,162
Cultural Equity Endowment	1,768,528	1,768,528	1,722,943
Municipal Symphony Concerts	717,209	799,105	770,000
Civic Collection	<u>0</u>	<u>21,700</u>	<u>0</u>
Subtotal	\$3,909,131	\$4,877,097	\$5,711,098
Facilities Maintenance/Capital Imp.	<u>85,000</u>	<u>83,300</u>	<u>245,000</u>
Total	\$3,994,131	\$4,960,397	\$5,956,098

Department Revenues:

The Art Commission's projected other department revenues (Special Revenue Funds) for FY 1998-99 are \$4,375,357, an increase of \$1,997,009 or 84.0 percent from the original FY 1997-98 revenue of \$2,378,348. The increase is primarily due to an increase of \$1,700,000 in Hotel Tax revenues designated for four City-owned Cultural Centers, as a result of legislation approved by the Board of Supervisors in August, 1997, and increased recoveries of \$155,499.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **ART - Art Commission**

Department Personnel Changes and Expenditures:

Including facilities maintenance and capital improvements, expenditures increased overall by \$1,961,967, or by 49.1 percent, in the proposed FY 1998-99 budget. This net increase primarily represents the following new programs for 1998-99: (1) \$1,700,000 budgeted for Cultural Centers, (2) \$160,000 for the Lotta's Fountain Restoration Project, and (3) \$223,240 for the WritersCorps Program.

Increases in salaries and fringe benefits represent \$138,262, or an increase of 2.29 FTE, reflecting: (1) the addition of one new 1366 Special Assistant VI position (1.0 FTE) for the Cultural Centers, at a salary cost of \$41,080; (2) the addition one new 1365 Special Assistant VI position (0.75 FTE) for the WritersCorps Program, at a salary cost of \$31,052; (3) the addition of 0.43 FTE in Temporary Salaries, at a cost of \$20,000; (4) \$46,130 in wage and fringe benefit increases; and (5) other adjustments (0.11 FTE).

The proposed budget allocates \$1,700,000 in Hotel Tax revenues to the City's four neighborhood-based Cultural Centers, located in the Bayview, Mission, South of Market, and Western Addition neighborhoods, in accordance with the previously approved legislation cited above. This \$1,700,000 represents over 94 percent of the Department's increase in its operating budget. The Art Commission advises that these funds will be used as follows: (1) \$532,000 for programming (including a new position), (2) \$737,500 for operations, and (3) \$430,500 for maintenance. The Art Commission advises that the requested new 1366 Special Assistant position (1.0 FTE) was filled in January, 1998 and has been paid for with off-budget grant funds.

There is also \$160,000 budgeted for the Lotta's Fountain Restoration Project. The goal of the project is to stabilize, repair and restore the fountain (built in 1875) to its original appearance.

The Art Commission is also requesting funds for the Writers Corp Program, which seeks to develop interest in the arts and arts education among at-risk youth. WritersCorps was developed as a three-year pilot initiative and was previously funded off-budget grant funds by AmeriCorps and the National Endowment for the Arts (NEA). As outside grant funding for this program will no longer be available, the proposed budget includes \$223,240 for the Writers Corp Program in order to continue funding this program with budgeted City funds. This amount will fund a new 0.75 FTE 1365 Special Assistant VI position (\$31,052 plus fringe benefits), \$20,000 in temporary salaries for a 0.43 FTE position and contractual services of \$150,000 (using funds work ordered from other City departments). The Art Commission advises that these two positions are already filled and have been previously funded off-budget with AmeriCorps and/or NEA grant funds.

Recommendations:

None.

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: WAR WAR MEMORIAL

**Budget Volume: V
Budget Page: 2286**

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated				
Other Department Revenue	\$9,773,886	\$9,651,085	(\$122,801)	-1.3 %
Recoveries	378,953	205,866	(173,087)	-45.7
Dept. General Fund Revenue				-
Supplemental Appropriations				-
Total Sources	\$10,152,839	\$9,856,951	(\$295,888)	-2.9 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$7,247,539	\$7,572,319	\$324,780	4.5 %
Fac. Maint. / Capital Imp.	2,905,300	2,284,632	(620,668)	-21.4
Subtotal - Mayor's Budget	\$10,152,839	\$9,856,951	(\$295,888)	-2.9 %
Supplemental Appropriations				-
Total Uses	\$10,152,839	\$9,856,951	(\$295,888)	-2.9 %
Mayor's Listed Positions:				
Permanent	96.41	95.72	(0.69)	-0.7 %
Temporary	3.23	3.15	(0.08)	-2.5
Attrition Savings	(1.34)	(1.33)	0.01	0.7
Subtotal, Mayor's Budget	98.30	97.54	(0.76)	-0.8 %
Adjustments (FTE):				
Overtime	1.53	1.53		- %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	99.83	99.07	(0.76)	-0.8 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: WAR - War Memorial

Financial Data:

The War Memorial's proposed \$7,572,319 operating budget for FY 1998-99 is \$324,780 or 4.5 percent more than the original FY 1997-98 budget of \$7,247,539. The net increase from the revised FY 1997-98 budget to the proposed budget is the same.

Summary of Budgeted Activities:

	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
War Memorial Operations	\$7,247,539	\$7,247,539	\$7,572,319
Facilities Maint & Cap Improve	<u>2,905,300</u>	<u>2,905,300</u>	<u>2,284,632</u>
Total	\$10,152,839	\$10,152,839	\$9,856,951

Department Revenues

Operating revenues for FY 1998-99 are budgeted at \$9,651,085, or an estimated \$122,801 less than the \$9,773,886 for FY 1997-98. The primary source of revenue for the War Memorial is the allocation of the City's Hotel Tax Fund, which is projected to generate \$8,033,807 for the War Memorial in FY 1998-99, an estimated \$560,498, or 7.5 percent more than budgeted for FY 1997-98. The other major changes in the budgeted revenues for FY 1997-98 include the rentals from the Opera House (a reduction of \$25,713), Herbst Theater rentals (an increase of \$9,605), Davies Symphony Hall rentals (an increase of \$9,583), Opera House Concession revenues (an additional \$76,725), Davies Symphony Hall concessions (an increase of \$10,200) and Zellerbach Rehearsal Hall (an increase of \$17,276).

In addition, the FY 1998-99 budget includes a reduction from \$556,592 to \$307,576 (a decrease of \$249,016) of General Fund revenues received from the Real Estate Department. These funds are to reimburse the War Memorial for expenses that will be incurred for approximately six months of security services for the City Hall offices located on the third and fourth floors of the War Memorial Veterans Building, prior to the move back to City Hall. And finally, the proposed budget includes a reduction of \$533,277 of fund balance revenues used in FY 1997-98 for facility maintenance projects.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: WAR - War Memorial

Department Personnel Changes

As a result of the planned move of various City departments from the War Memorial back to City Hall, effective January 9, 1999, the proposed budget includes a reduction of the following six positions, budgeted to equal an annualized reduction of 2.78 FTE positions in FY 1998-99, at a cost savings to the War Memorial of \$107,466 from \$238,946 to \$131,480.

	<u>Number of</u> <u>Positions</u>	<u>Classification</u>	<u>Title</u>	<u>FY 1998-99</u> <u>Salary Cost</u>	<u>Annualized Salaries</u> <u>at Top Step</u>
	1	2716	Asst. Custodial Supervisor	\$21,613	\$39,020
	<u>5</u>	8207	Building & Grounds Patrol Off	<u>109,867</u>	<u>199,926</u>
Total	6			\$131,480	\$238,946

The one 2716 Assistant Custodial Supervisor position is currently being filled on a temporary basis, such that this position will be eliminated after the move back to City Hall in January of 1999. The five 8207 Building and Grounds Patrol Officer positions are proposed in the FY 1998-99 budget to be transferred to the Administrative Services Department in January of 1999. These five positions will then be used to provide night and weekend security responsibilities for City Hall.

In addition, the War Memorial is proposing to add the following two new positions:

	<u>Number of Positions</u>	<u>Classification</u>	<u>Title</u>	<u>FY 1998-99</u> <u>Salary Cost</u>	<u>Annualized Salaries</u> <u>at Top Step</u>
	1	1270	Personnel Officer	\$55,182	\$73,576
	<u>1</u>	1450	Executive Secretary	<u>35,755</u>	<u>46,510</u>
Total	2			\$90,937	\$120,086

The proposed 1270 Personnel Officer would be to oversee the Department's personnel activities, including workers compensation claims. The proposed 1450 Executive Secretary would be to provide administrative and clerical support for the engineering and maintenance functions, including purchasing activities. Overall, the proposed budget includes a net decrease of 0.76 positions.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: WAR - War Memorial

Department Expenditures

As reflected above, the War Memorial's overall operating expenditures are proposed to increase by \$324,780, or 4.5 percent, even with the reduced personnel and related expenses due to the reopening of City Hall in January of 1999. The Board of Trustees of the War Memorial is currently considering both short and long term alternative uses for the War Memorial facility, after City departments move out, but could not provide specific information at this time.

In addition to the proposed two new positions identified above and the related mandatory fringe benefit costs, the additional other major expenditures include Overhead, which is required, in accordance with Ordinance No. 152-80, for those departments funded by Non-General Fund revenues to support General Fund services provided (increasing \$76,354) and Services of Other Departments (increasing \$82,224), with the primary increase of \$76,702 from the PUC-Light, Heat and Power due to new electric service which was added to the Opera House and \$10,000 from the City Attorney, due to increased charges. In addition, the War Memorial's Facilities Maintenance budget is proposed to increase from \$375,300 to \$407,500, an increase of \$32,200, or 8.6 percent primarily to cover the costs for the maintenance of two new roll-up doors and sidewalk and pit elevators. In addition, the proposed continuing capital improvement projects include: (1) \$841,500 to replace the Davies Symphony Hall roof, (2) \$85,000 for disabled access improvements for Herbst Theater, (3) \$120,000 for ventilation improvements in the Veterans Building, (4) \$250,000 for roof repairs and HVAC modifications at the Opera House and (5) \$580,632 of capital improvements for replacement of the seats in Davies Symphony Hall and Americans with Disabilities (ADA) modifications.

Comments

The Mayor's operating budget provides for an increase of \$324,780. Our recommended reductions, which total \$61,365 would still allow an increase of \$263,415 or 3.6 percent in the Department's operating budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: WAR - War Memorial

Page No.	Object	Account Title	Position/ Equipment Number			Amount		Savings
			Number	From	To	From	To	
289	001	Permanent Salaries -Misc. * The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.				\$4,286,269	\$4,250,514	*
293	001	Executive Secretary I Deny the requested Executive Secretary I position to assist the Engineering and Maintenance Division. In the FY 1997-98 budget, the War Memorial requested one new 1426 Senior Clerk Typist, a lower classification than the Executive Secretary I position currently being requested, to do much of the same work as is being requested for FY 1998-99. The Board of Supervisors did not recommend approval of this position in FY 1997- 98. However, the War Memorial continues to assert its need to hire a new secretarial support position to relieve the engineering and maintenance staff of such administrative functions. The Budget Analyst notes that the War Memorial has five other secretarial support staff positions, including three 1426 Senior Clerk Typists, one 1446 Secretary II and one 1452 Executive Secretary II positions. The Budget Analyst has however recommended the creation of one new 1270 Department Personnel Officer, because the Department felt this was a critical position for FY 1998-99.	1450N	0.75	0	35,755	0	\$35,755

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: WAR - War Memorial

Page No.	Object	Account Title	Position/ Equipment			Number		Amount		Savings
			Number	From	To	From	To	From	To	
2289	009	Premium Pay						\$95,153	\$85,083	\$10,070
		Reduce to reflect actual amount needed for FY 1998-99.								
2289	013	Mandatory Fringe Benefits						1,146,978	1,137,388	9,590
		Corresponds to reduction in Permanent Salaries-Misc. and Premium Pay.								
2289	040	Materials and Supplies						204,150	202,200	1,950
		Reduce to reflect elimination of increased electrical supplies for FY 1998-99.								
2289	060	Equipment Purchase						19,900	15,900	*
		* The recommended reduction in equipment is the total of the following specific recommendations.								
2295	060	PC Workstation	WM008	4	2			8,000	4,000	4,000
		Eliminate two of the requested four PC Workstations. The proposed recommendation will still provide the Department with two new PC Workstations and \$10,200 of other data processing equipment.								
Total Recommended Reductions										<u>\$61,365</u>

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: FAM FINE ARTS MUSEUM

Budget Volume: V
Budget Page: 2121

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$962,461	\$865,557	(\$96,904)	-10.1 %
Other Department Revenue	1,956,000	2,169,000	213,000	10.9
Hotel Tax Fund	3,947,224	4,243,266	296,042	7.5
Dept. General Fund Revenue				-
Supplemental Appropriations				-
Total Sources	\$6,865,685	\$7,277,823	\$412,138	6.0 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$5,023,778	\$5,209,268	\$185,490	3.7 %
Unappropriated Revenue	1,791,907	1,993,555	201,648	11.3
Fac. Maint. / Capital Imp.	50,000	75,000	25,000	50.0
Subtotal - Mayor's Budget	\$6,865,685	\$7,277,823	\$412,138	6.0 %
Supplemental Appropriations				-
Total Uses	\$6,865,685	\$7,277,823	\$412,138	6.0 %
Mayor's Listed Positions:				
Permanent	73.37	76.12	2.75	3.7 %
Temporary	1.10	1.94	0.84	76.4
Attrition Savings	(1.72)	(1.95)	(0.23)	-13.4
Subtotal, Mayor's Budget	72.75	76.11	3.36	4.6 %
Adjustments (FTE):				
Overtime	0.86	0.86		- %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	73.61	76.97	3.36	4.6 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: FAM - Fine Arts Museums

Financial Data:

The Fine Arts Museums' proposed \$5,209,268 operating budget for FY 1998-99 is \$185,490 or 3.7 percent more than the original FY 1997-98 operating budget of \$5,023,778. The net decrease from the revised FY 1997-98 operating budget to the FY 1998-99 operating budget is \$516,161 or 9.0 percent.

Summary of Budgeted Programs:

<u>Program</u>	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Operations and Maintenance	\$4,859,685	\$5,561,336	\$5,033,823
Admissions	<u>164,093</u>	<u>164,093</u>	<u>175,445</u>
Subtotal	\$5,023,778	\$5,725,429	\$5,209,268
Unappropriated Revenue	\$1,791,907	\$1,791,907	\$1,993,555
Facilities Maint./Capital Imp.	<u>50,000</u>	<u>50,000</u>	<u>75,000</u>
Mayor's Budget Totals	\$6,865,685	\$7,567,336	\$7,277,823

Department Revenue and Fee Changes:

The Fine Arts Museums is partially funded by the Hotel Tax Fund and the Admissions Fund (the Admissions Fund receives all revenue from the Fine Arts Museums' ticket sales). The FY 1998-99 Hotel Tax revenue allocation to the Fine Arts Museums is estimated to be \$4,243,266, an increase of \$296,042 or 7.5 percent, from the original budget of \$3,947,224 in FY 1997-98.

The Fine Arts Museums also generates revenue through admission fees. Admissions Fund revenues are budgeted at \$2,169,000 for FY 1998-99, an increase of \$213,000 or 10.9 percent, from the \$1,956,000 budgeted for FY 1997-98. According to the Museum, this increase is based on an anticipated increase in admissions due to two special exhibits scheduled for FY 1998-99.

Department Personnel Changes:

The following position changes would result in a net increase in positions of 3.36 FTE and increased salary costs of \$233,899: (a) two new positions (1.5 FTE), at an additional salary cost of \$65,057 for FY 1998-99; (b) an additional \$37,147 (0.84 FTE) for temporary salaries; (c) an increase of 1.25 FTE for the annualization of five positions approved in the FY 1997-98 budget, at an additional

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: FAM - Fine Arts Museums

salary cost of \$81,929; (d) one upward reclassification, at an increased salary cost of \$6,201 for FY 1998-99; (e) increased attrition savings of \$11,050, representing a decrease of 0.23 FTE; and (f) wage increases of \$54,615. These changes are described in further detail below.

The Department is requesting two new permanent positions (1.5 FTE) for FY 1998-99, as follows:

<u>Class/Title</u>	<u>No. of Positions</u>	<u>Change in FY 1998-99 FTEs</u>	<u>Maximum Annual Salary</u>	<u>Change in FY 1998-99 Budget</u>
7556 Museum Registrar	1	0.75	\$43,587	\$28,922
7334 Stationary Engineer	<u>1</u>	<u>0.75</u>	<u>48,181</u>	<u>36,135</u>
Total	2	1.50	\$91,768	\$65,057

There is currently one City-funded Museum Registrar on staff who is responsible for tracking approximately 130,000 art objects in the City's collection. In addition, there are currently three registrar positions funded off-budget by private funds. The Department is requesting that one of these three off-budget registrar positions be transferred to City funding and therefore be included in the budget as a new City position. The requested new Stationary Engineer position would be responsible for repairs and maintenance at the De Young Museum and the Palace of the Legion of Honor. According to the Museums, the De Young Museum building is increasingly in need of repairs for which the Museums' existing staff of five building engineers is no longer sufficient.

The proposed increase of \$37,147 (0.84 FTE) in temporary salaries is for backfill coverage of museum guards, based on projected FY 1997-98 over-spending in temporary salaries. In addition, the Department is requesting the upward reclassification of one 3544 Curator III position to one 3546 Curator IV position, at an additional salary cost of \$15,425 annually (at the top step). This reclassification has been approved by the Department of Human Resources (DHR).

The Department is also requesting an increase of \$25,791 for premium pay: a) to compensate staff for the extra half hour per day that the Museums are now open (until 5:30 pm), and b) for additional longevity premium pay for existing staff. There is also an increase of \$16,279 for holiday pay to reflect one additional holiday on which the Museums will be open during FY 1998-99.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: FAM - Fine Arts Museums

Departmental Expenditures:

The proposed facilities maintenance budget for the Museums would increase by \$25,000 to \$75,000 for FY 1998-99, based on actual spending, while services of other departments would decrease by \$155,483, primarily due to reductions in Light, Heat & Power.

Comment:

The Fine Arts Museums fund approximately \$14.2 million of its expenses with off-budget funds, which include private donations, membership fees, State and Federal grants, rental revenue, Museum store sales, and special exhibition fees.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: FAM - Fine Arts Museum

Page No.	Object	Account Title	Position/ Equipment Number		Amount		Savings
			Number	From To	From	To	
<u>Operation & Maintenance of Museums</u>							
126	001	Permanent Salaries-Misc *The recommended reduction in Permanent Salaries-Misc. is the total of the following specific recommendations regarding individual classifications.				\$3,049,791 \$2,885,099	*
129	001	Museum Registrar The Department has not adequately justified the need for this new position, as there has been no increase in workload for the current staff of four Registrars. The Department simply wants to transfer one position, which is presently being privately funded by the Department, to the City's General Fund. This is not justified, particularly with Museum Admission Fee revenues anticipated to increase by 10.9 percent. Further, the City is contributing over \$5.1 million from the General Fund and the Hotel Tax Fund to the Fine Arts Museum's budget in FY 1998-99, an increase of \$199,138 over FY 1997-98. We are, however, recommending approval of one new Stationary Engineer position and an increase of \$37,147 for Temporary Salaries.	3556	0.75	0	28,922	0 \$28,922

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: FAM - Fine Arts Museum

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
2129	001	Attrition Savings-Misc Increase Attrition Savings to actual 1997-98 expenditure level adjusted for salary standardization.	9993M			(\$84,230)	(\$220,000)	\$135,770
2126	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.				829,405	782,613	46,792
Total Recommended Reductions								\$211,482

BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY

Department: AAM ASIAN ARTS MUSEUM

Budget Volume: V
Budget Page: 2067

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated				- %
Other Department Revenue	\$1,565,873	\$1,683,313	\$117,440	7.5
Dept. General Fund Revenue				-
Supplemental Appropriations				-
Total Sources	\$1,565,873	\$1,683,313	\$117,440	7.5 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$1,515,873	\$1,488,313	(\$27,560)	-1.8 %
Fac. Maint. / Capital Imp.	50,000	195,000	145,000	290.0
Subtotal - Mayor's Budget	\$1,565,873	\$1,683,313	\$117,440	7.5 %
Supplemental Appropriations				-
Total Uses	\$1,565,873	\$1,683,313	\$117,440	7.5 %
Mayor's Listed Positions:				
Permanent	13.00	13.00		%
Temporary				-
Attrition Savings	(0.62)	(0.52)	0.10	16.1
Subtotal, Mayor's Budget	12.38	12.48	0.10	0.8 %
Adjustments (FTE):				
Overtime				- %
Supplemental Appropriations				-
Other Adjustments	(0.71)	(0.73)	(0.02)	-2.7
Total FTE	11.67	11.75	0.08	0.7 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: AAM - Asian Art Museum

Financial Data:

The Asian Art Museum's proposed \$1,488,313 operating budget for 1998-99 is \$27,560 or 1.8 percent less than the original 1997-98 operating budget of \$1,515,873. The proposed operating budget for 1998-99 is \$32,712, or 2.2 percent less than the revised 1997-98 operating budget of \$1,521,025.

Summary of Budgeted Programs:

<u>Programs</u>	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Asian Art Museum	\$1,515,873	\$1,521,025	\$1,488,313
Capital Improvements	0	0	120,000
Facilities Maintenance	<u>50,000</u>	<u>50,000</u>	<u>75,000</u>
Total	<u>\$1,565,873</u>	<u>\$1,571,025</u>	<u>\$1,683,313</u>

Department Revenue:

The City's portion of costs for the Asian Art Museum is funded entirely through the Hotel Tax Fund. The Hotel Tax revenue allocation to the Asian Art Museum is estimated at \$1,683,313 for FY 1998-99, an increase of \$117,440 or 7.5 percent, from the \$ 1,565,873 budgeted for FY 1997-98.

Department Personnel Changes:

Of the overall \$117,440 increase in the Asian Art Museum's budget, there would be an increase of \$18,430 in Permanent Salaries. This \$18,430 increase reflects: (1) the downward reclassification of one 3547 Curator V position to one 3546 Curator IV position (a reduction of \$2,866); (2) the upward reclassification of one 1446 Secretary II position to one 1450 Executive Secretary I position, at a cost of \$3,852; (3) a \$4,703 reduction in attrition savings; and (4) \$12,741 in wage increases and other adjustments. The two position reclassifications have been approved by the Department of Human Resources. Corresponding mandatory fringe benefits increase by \$1,418.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: AAM - Asian Art Museum

Departmental Expenditures:

The FY 1998-99 proposed budget includes \$120,000 for a capital improvement project to remove asbestos contamination and replace ceiling tiles, and to install below-ceiling lighting fixtures (track lighting) at the Asian Art Museum. In addition, the FY 1998-99 budget reflects an increase of \$62,451 for services of other departments, which results primarily from increases for the Department of Telecommunications and Information Services (DTIS), mail and reproduction services, electricity and the Department of Public Health (DPH). The FY 1998-99 budget also includes an increase of \$25,000 for facilities maintenance, which is to pay the Public Library to provide maintenance and security services at the old Main Library for approximately six months, or until construction on the old Main Library commences in order to convert it to a new site for the Asian Art Museum. The Public Library advises that, in the past, it has absorbed the cost of providing these services in its budget.

Comment:

The Asian Art Museum funds approximately \$4.7 million of its expenses with off-budget funds, which include private donations, membership fees, State and Federal grants, and earnings from an endowment.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: AAM - Asian Art Museum

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
2068	001	Permanent Salaries-Misc * The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.				\$720,063	\$717,463	*
2070	001	Attrition Savings-Misc Increase Attrition Savings to actual 1997-98 expenditure level adjusted for salary standardization.	9993M			(29,654)	(32,254)	\$2.60
2068	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.				165,450	164,899	551

Total Recommended Reductions

\$3,15

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: LIB PUBLIC LIBRARY

**Budget Volume: V
Budget Page: 2131**

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$24,022,131	\$27,901,725	\$3,879,594	16.2 %
Proposition E Allocation	13,945,756	14,730,703	784,947	5.6
Other Department Revenue	1,850,211	1,909,610	59,399	3.2
Recoveries	55,000	25,000	(30,000)	-54.5
Supplemental Appropriations	868,367		(868,367)	-100.0
Total Sources	\$40,741,465	\$44,567,038	\$3,825,573	9.4 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$39,773,098	\$41,577,038	\$1,803,940	4.5 %
Fac. Maint. / Capital Imp.	100,000	2,990,000	2,890,000	2890.0
Subtotal - Mayor's Budget	\$39,873,098	\$44,567,038	\$4,693,940	11.8 %
Supplemental Appropriations	868,367		(868,367)	-100.0
Total Uses	\$40,741,465	\$44,567,038	\$3,825,573	9.4 %
Mayor's Listed Positions:				
Permanent	599.76	595.51	(4.25)	-0.7 %
Temporary	2.63	2.58	(0.05)	-1.9
Attrition Savings	(23.32)	(23.08)	0.24	1.0
Subtotal, Mayor's Budget	579.07	575.01	(4.06)	-0.7 %
Adjustments (FTE):				
Overtime	0.48	0.51	0.02	4.2 %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	579.55	575.52	(4.04)	-0.7 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: LIB – Public Library

Financial Data:

The Public Library's proposed \$41,577,038 operating budget for FY 1998-99 is \$1,803,940 or 4.5 percent more than the original FY 1997-98 budget of \$39,773,098. The net increase from the revised FY 1997-98 operating budget is \$566,302 or 1.4 percent.

Summary of Budgeted Activities:

	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Program Expenditures			
Branch Program	\$9,689,263	\$9,690,848	\$10,501,808
Children's Fund	420,180	420,180	510,596
Children's Baseline	3,577,942	3,579,246	3,965,280
Library Management	9,502,286	11,090,865	9,537,380
Main Program	9,506,122	9,507,707	9,911,411
Technical Services	<u>7,077,305</u>	<u>6,721,890</u>	<u>7,150,563</u>
Total Operating Expenses	\$39,773,098	\$41,010,736	\$41,577,038
Facilities Maintenance	<u>100,000</u>	<u>100,000</u>	<u>2,990,000</u>
Total	\$39,873,098	\$41,110,736	\$44,567,038

Department Revenues

In June of 1994, San Francisco voters passed Proposition E, a Charter Amendment which expanded Public Library hours and created the Library Preservation Fund. The Library Preservation Fund provides the Public Library with a fixed percentage of the City's Property Taxes and requires that the City provide the Library with a Baseline General Fund budget of at least the same proportion of General Fund appropriations that the Library received in FY 1992-93. In the FY 1998-99 budget, for the first time, the Library Preservation Fund is combined with the General Fund appropriations, to simplify the budgeting and accounting systems.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: LIB – Public Library

For FY 1998-99, the General Fund unallocated contribution to the Public Library is proposed to increase by \$3,879,594 from \$24,022,131 in the FY 1997-98 budget to \$27,901,725. The other Library fees and revenues are budgeted in FY 1998-99 to increase by \$59,399, or 3.2 percent. According to computations by the Controller's Office, the Public Library will receive \$4,468,435 in Proposition E (Library Preservation Fund) and General Fund unallocated revenues over and above the amount required by Proposition E.

Department Personnel Changes

The proposed budget includes the addition of the following 3.75 (four positions on an annualized basis) new positions:

<u>Number of FTEs</u>	<u>Classification</u>	<u>Title</u>	<u>FY 1998-99 Salary Cost</u>	<u>Maximum FY 1998-99 Annualized Salary</u>
0.75	AB40N	Deputy City Librarian	\$71,801	\$103,513
2.00	AB42N	Librarian IV	162,238	162,238
<u>1.00</u>	1675N	Supervising Fiscal Officer	83,964	<u>83,964</u>
3.75		Totals		\$349,715

The performance audit conducted of the Public Library two years ago recommended the creation of the new Deputy City Librarian and the Supervising Fiscal Officer positions and the reorganization plan conducted by the new City Librarian included the creation of the two new Librarian IV positions. The Library recently hired the Supervising Fiscal Officer, with the approval of the Mayor's Office and the Human Resources Department and intends to fill the Deputy City Librarian position in the immediate future. To offset these increases, the proposed budget includes the elimination of 13 vacant positions and numerous personnel substitutions and transfers to reflect the Public Library's reorganization plans, resulting in 4.04 fewer FTEs in FY 1998-99.

Department Expenditures

In February of 1998, the Board of Supervisors approved a supplemental appropriation of \$1,225,367 for the Public Library to provide additional funding for (1) equipment and building maintenance, (2) materials and supplies for the New Main Library, (3) correcting the miscalculation in the budgeted Step M salary adjustments (to adjust for the correct calculations for step increases) and (4) three new automated check-out machines for the New Main Library. In addition to the personnel costs

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: LIB – Public Library

identified above, the proposed FY 1998-99 budget reflects an annualization of the increases approved in that supplemental appropriation.

When approving this supplemental appropriation, the Board of Supervisors recommended that the Public Library report on its efforts to institute financial controls for its non-personnel budget during the FY 1998-99 budget process. The Public Library has provided a memorandum dated June 8, 1998 to the Budget Analyst that outlines the non-personnel budget fiscal controls that the Public Library has implemented during the past four months. As contained in this memorandum, the Public Library has (1) begun to control current FY 1997-98 year expenditures, (2) developed a more detailed and realistic FY 1998-99 budget to serve as a management tool for monitoring expenditures, (3) worked with the Controller to receive monthly budget reports beginning in FY 1998-99 to identify variances in expenditures and (4) recently hired a new Chief Fiscal Officer to oversee all fiscal operations for the Public Library.

The proposed budget includes \$3,794,540 for books and materials in FY 1998-99, an increase of \$105,000, or 2.8 percent over the \$3,689,540 included for the book budget in FY 1997-98.

In addition to these operating expenditures, the Public Library has included \$2,990,000 of capital improvements and facilities maintenance projects in the proposed FY 1998-99 budget. This \$2,990,000 includes (1) \$2,500,000 to construct a new Oceanview Branch Library, (2) \$250,000 to repair the roofs at three (Merced, Parkside and Anza) Branch Libraries and (3) \$240,000 for various deferred maintenance projects throughout the 26 Branch Libraries.

Comments

The Mayor's budget provides for an increase of \$1,803,940. Our recommended reductions, which total \$79,694 would still allow an increase of \$1,724,246 or 4.3 percent in the Department's operating budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: LIB - Public Library

Page No.	Object	Account Title	Position/ Equipment	Number From To	Amount From To	Savings
<u>Branch Program (EEG)</u>						
141	029	Maintenance Services-Equipment			\$30,850 \$26,450	\$4,400
		Reduce to reflect the decrease in the maintenance agreement for a recently donated copier.				
141	030	Rents & Leases - Building & Structures			129,032 118,574	10,458
		Reduce to reflect the actual rent charges incurred for the various Branch Libraries.				
<u>Library Management (EIB)</u>						
147	001	Permanent Salaries-Misc.			5,114,343 5,073,784	*
		* The recommended reduction in Permanent Salaries-Misc. is the total of the following specific recommendations regarding individual classifications.				

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: LIB - Public Library

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
2155	001	Librarian IV	AB42	2.00	1.50	\$162,238	\$121,679	\$40,559
		Reduce the amount budgeted for the two new Librarian IV positions from 2.0 FTEs to 1.5 FTEs (.75 FTE each), which is consistent with an average start date of October 1, 1998 for each of these positions.						
2147	013	Mandatory Fringe Benefits				1,146,094	1,135,817	10,277
		Corresponds to reduction in permanent salaries.						
2148	035	Other Current Expenses				135,769	132,769	3,000
		Reduce to reflect decrease in postage costs from fewer Commission meetings that will therefore require fewer mailings.						
2148	042	Building & Construction Supplies				238,691	230,691	8,000
		Reduce to reflect decrease in supplies that are not needed in the upcoming budget year. The proposed recommendation still provides an increase of \$86,191 over the FY 1997-98 budget.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: LIB - Public Library

Page No.	Object	Account Title	Position/ Equipment		<u>Number</u>		<u>Amount</u>		<u>Savings</u>
			<u>Number</u>		<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
48	043	Equipment Maintenance Supplies					\$46,000	\$43,000	\$3,000
		Reduce to reflect actual expenditure level and need.							
Total Recommended Reductions									\$79,694

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: REC RECREATION AND PARK COMMISSION

**Budget Volume:
Budget Page:**

**V
2166**

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$26,852,989	\$27,712,252	\$859,263	3.2 %
Other Department Revenue	18,031,686	18,351,996	320,310	1.8
Recoveries	283,480	600,746	317,266	111.9
Dept. General Fund Revenue	34,600,128	37,328,869	2,728,741	7.9
Supplemental Appropriations	1,450,000		(1,450,000)	-100.0
Total Sources	\$81,218,283	\$83,993,863	\$2,775,580	3.4 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$69,862,757	\$75,231,863	\$5,369,106	7.7 %
Fac. Maint. / Capital Imp.	9,905,526	8,762,000	(1,143,526)	-11.5
Subtotal - Mayor's Budget	\$79,768,283	\$83,993,863	\$4,225,580	5.3 %
Supplemental Appropriations	1,450,000		(1,450,000)	-100.0
Total Uses	\$81,218,283	\$83,993,863	\$2,775,580	3.4 %
Mayor's Listed Positions:				
Permanent	1,044.00	1,082.25	38.25	3.7 %
Temporary	21.49	22.14	0.65	3.0
Attrition Savings	(39.53)	(50.27)	(10.74)	-27.2
Project Positions	(66.25)	(73.25)	(7.00)	-10.6
Subtotal, Mayor's Budget	959.71	980.87	21.16	2.2 %
Adjustments (FTE):				
Overtime	7.87	6.80	(1.07)	-13.6 %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	967.58	987.67	20.09	2.1 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
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Department/Division: **REC - Recreation and Park Commission**

Financial Data:

The Recreation and Park Department's proposed \$75,231,863 operating budget for FY 1998-99 is \$5,369,106 or 7.7 percent more than the original FY 1997-98 operating budget of \$69,862,757. The net increase from the revised FY 1997-98 operating budget to the proposed 1998-99 budget is \$4,500,920 or 6.4 percent.

Summary of Budgeted Activities:

<u>Program</u>	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Children's Fund	\$334,841	\$334,841	\$340,347
Golden Gate Park	8,625,302	6,809,180	6,959,840
Citywide Parks Services*	0	1,146,664	1,956,440
Neighborhood Services	25,147,682	19,183,899	19,109,509
Departmental Fund Transfer	14,627	14,627	14,627
Structural Maintenance*	0	6,511,988	7,156,958
Marina Yacht Harbor	1,413,540	1,413,540	1,405,940
Camp Mather	643,997	643,997	652,906
Golf Courses	2,917,453	2,861,490	3,106,360
Candlestick Park	6,055,990	5,835,171	5,665,583
Urban Forestry*	0	1,150,639	2,283,278
Administration	14,172,374	14,287,956	14,617,733
Children's Baseline	<u>10,536,951</u>	<u>10,536,951</u>	<u>11,962,342</u>
Subtotal - Operating Budget	\$69,862,757	\$70,730,943	\$75,231,863
Fac. Maintenance/Cap. Imp.	<u>9,905,526</u>	<u>7,033,907</u>	<u>8,762,000</u>
Total - Mayor's Budget	\$79,768,283	\$77,764,850	\$83,993,863

* Budgeted under the Neighborhood Services and/or Golden Gate Park Programs in the FY 1997-98 original budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **REC - Recreation and Park Commission**

Department Revenues:

The Recreation and Park Department's (RPD) projected other departmental revenues of \$18,351,996 represent an increase of \$320,310 or 1.8 percent from the FY 1997-98 level. This primarily reflects \$340,347 in additional revenues from the Children's Fund (consisting of Property Tax revenues).

Departmental General Fund revenues are projected to be \$37,328,869 in FY 1998-99, an increase of \$2,728,741, or 7.9 percent, from the FY 1997-98 budgeted level. This increase primarily reflects: (1) approximately \$675,000 in additional revenue generated by increases in admission fees at the Japanese Tea Garden and Coit Tower, and an increase in wedding fees at the Palace of Fine Arts, all currently pending approval by the Board of Supervisors; (2) approximately \$1.4 million in additional revenue from Candlestick Park, reflecting the annualized increases in ticket fees for the San Francisco Giants and the 49ers during FY 1997-98, as well as an anticipated increase in attendance at Giants games; (3) an additional \$359,000 in golf fee revenues due to an anticipated increase in the number of golf rounds for FY 1998-99; (4) an additional \$196,000 from Camp Mather, based on a fee increase during FY 1997-98 and a one week extension of the camp in FY 1998-99; (5) increased revenue of \$150,000, such as from the use of facilities during off-peak hours, related to the request for three new revenue-enhancing positions; (6) additional Hotel Room Tax revenues of \$358,000 allocated to Candlestick Park; and (7) increased revenues of \$444,000 from the Civic Center Garage based on the reopening of City Hall during FY 1998-99. These increases are partially offset by reductions in anticipated revenues from other sources, including the three other City-owned garages under RPD's jurisdiction, and the Zoological Society.

Department Expenditures:

Operating expenditures for FY 1998-99 are increasing by \$5,369,106, or by 7.7 percent. Of this increase, approximately \$3.4 million represents the implementation of the following program enhancements, resulting in a net increase in 53 permanent positions and 0.65 FTE temporary positions (42.9 FTE in FY 1998-99).

- Approximately \$1.5 million for **Mobile Enhancement Teams** in order to provide immediate improvements in RPD's facilities and programs. Mobile enhancement teams would target certain areas of the City with needs for immediate improvement and then move on to another area. The teams would be created for seven areas: Golden Gate Park, facility infrastructure improvement, facility landscape enhancement, athletic fields, graffiti removal, custodial work, and recreation. According to RPD, this would provide visible and immediate improvements in Recreation and Park facilities and programs. RPD is requesting 32 new positions (24 FTEs) for this program, as follows:

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1998-99

Department/Division: REC - Recreation and Park Commission

<u>CLASS</u>	<u>TITLE</u>	<u>MAX</u> <u>ANNUAL</u> <u>SALARY</u>	<u>NO. OF</u> <u>POSI-</u> <u>TIONS</u>	<u>ANNUAL COST @</u> <u>MAX SALARY</u>	<u>FY 98-99</u> <u>CHANGE</u> <u>IN FTEs</u>	<u>CHANGE IN</u> <u>FY 1998-99</u> <u>BUDGET</u>
3284	RECREATION DIRECTOR	\$ 38,837	4	\$ 155,347	3.00	\$ 98,637
3417	GARDENER	\$ 40,664	6	\$ 243,983	4.50	\$ 155,073
3422	PARK SECTION SUPERVISOR	\$ 49,329	1	\$ 49,329	0.75	\$ 31,337
3434	TREE TOPPER	\$ 44,735	2	\$ 89,471	1.50	\$ 56,880
3436	TREE TOPPER SUPERVISOR	\$ 53,061	1	\$ 53,061	0.75	\$ 33,670
3464	AREA SUPERVISOR, PARKS, SQUARES & FACILITIES	\$ 55,724	1	\$ 55,724	0.75	\$ 34,374
7328	OPERATING ENGINEER, UNIVERSAL	\$ 58,516	2	\$ 117,032	1.50	\$ 74,178
7334	STATIONARY ENGINEER	\$ 48,181	1	\$ 48,181	0.75	\$ 36,135
7344	CARPENTER	\$ 54,392	1	\$ 54,392	0.75	\$ 34,475
7345	ELECTRICIAN	\$ 57,655	1	\$ 57,655	0.75	\$ 36,566
7346	PAINTER	\$ 49,329	2	\$ 98,658	1.50	\$ 62,673
7348	STEAMFITTER	\$ 62,666	1	\$ 62,666	0.75	\$ 39,724
7376	SHEET METAL WORKER	\$ 62,953	1	\$ 62,953	0.75	\$ 39,925
7395	ORNAMENTAL IRON WORKER	\$ 52,043	1	\$ 52,043	0.75	\$ 33,026
7514	GENERAL LABORER	\$ 39,307	4	\$ 157,226	3.00	\$ 110,582
9343	ROOFER	\$ 50,295	3	\$ 150,884	2.25	\$ 95,820
	TOTAL - SALARIES			\$ 1,508,605		\$ 973,075
	FRINGE BENEFITS			\$ 392,238		\$ 253,000
	TOTAL		32	\$ 1,900,843	24.00	\$ 1,226,075

In addition, the RPD is requesting \$80,000 for equipment (consisting of three replacement pickup trucks and two cargo containers), \$102,091 for materials and supplies and \$50,000 for contractual services for the Mobile Enhancement Teams.

- Approximately \$575,000 in other **Equipment Purchases**, an increase of \$318,000 over the FY 1997-98 budget. RPD reports that the average age of equipment Department-wide is ten years, while the average age of equipment in the Structural Maintenance Division is 20 years. This request for replacement equipment consists of twelve mowers (\$168,587), nine Cushman's (\$116,000), six pick-up trucks (\$106,093), eight cargo containers (\$22,500) and other replacement equipment (\$161,724) including sanders, aerators, pool vacuums, recreational equipment, scoreboards, etc.
- Approximately \$374,000 for **Recreation Program Expansion**, which will provide additional funding for child care, Workreation and recreational programs, as follows:

Cooperative Child Care Pilot Program (\$124,283)

As a result of a shortage of childcare for low-income working families, RPD is seeking to implement a cooperative child care project. Recreation and Park staff, with the assistance of parent volunteers, would provide child care services at existing recreational facilities. This program would be

**RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS**

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Department/Division: **REC - Recreation and Park Commission**

implemented on a pilot basis and evaluated after the first year. RPD is requesting four new Recreation Director positions (3.0 FTEs) for the Cooperative Child Care Pilot Project, as follows:

<u>CLASS</u>	<u>TITLE</u>	<u>MAX ANNUAL SALARY</u>	<u>NO. OF POSI- TIONS</u>	<u>ANNUAL COST @ MAX SALARY</u>	<u>FY 98-99 CHANGE IN FTEs</u>	<u>CHANGE IN FY 1998-99 BUDGET</u>
3284	RECREATION DIRECTOR	\$ 38,837	4	\$ 155,347	3.00	\$ 98,637
	FRINGE BENEFITS			\$ 40,390		\$ 25,646
	TOTAL		4	\$ 195,737	3.00	\$ 124,283

Workrecreation (\$50,000)

RPD is requesting \$50,000 in funding for temporary salaries (0.65 FTE) in order to expand the Workrecreation employment and training program, which provides summer employment and job training for teens aged 15 to 19 at the City's recreational facilities.

Materials and Supplies (\$50,000)

The Department is requesting \$50,000 for additional materials and supplies, including arts and crafts supplies, board games, cooking supplies, photography equipment, etc., for the City's recreational centers.

Contractual Services (\$50,000)

RPD's request for \$50,000 in contractual services would provide funding for dance teachers, drama specialists, artists, field trips, etc. for the City's recreational centers.

Citywide Youth/Teen Center (\$100,000)

This would provide funding to lease a facility for youth and teens which would be in part operated by youth and teens. This facility would contain youth-operated businesses, space for dances and youth entertainment, and other services targeted towards youth. As RPD has not yet identified a site, the Budget Analyst recommends that this amount of \$100,000 be placed on reserve.

- The Department is requesting approximately **\$359,000** for an increase in **Swimming Pool Staff** (11 positions or 9.5 FTE in FY 1998-99), as follows:

<u>CLASS</u>	<u>TITLE</u>	<u>MAX ANNUAL SALARY</u>	<u>NO. OF POSI- TIONS</u>	<u>ANNUAL COST @ MAX SALARY</u>	<u>FY 98-99 CHANGE IN FTEs</u>	<u>CHANGE IN FY 1998-99 BUDGET</u>
3202	LOCKER ROOM ATTENDANT	\$ 23,908	5	\$ 119,538	5.00	\$ 122,526
3204	SWIMMING POOL CASHIER-CLERK	\$ 35,287	6	\$ 211,723	4.50	\$ 162,762
	TOTAL - SALARIES			\$ 331,261		\$ 285,288
	FRINGE BENEFITS			\$ 86,128		\$ 74,175
	TOTAL		11	\$ 417,389	9.50	\$ 359,463

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
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- \$300,000 in additional funds for renovation of the **Visitation Valley Child Care Center** to permit the Early Years Child Academy to relocate to this new facility and lease it from the City.
- Approximately \$228,000 for two new positions (2.0 FTE) to implement a **Health and Safety Program** in order to improve management of workers compensation claims, develop a return to work program, maintain a workers compensation database and implement a lead prevention program. The proposed budget includes \$100,000 for contractual services for lead hazard assessment and abatement and two new positions, as follows:

<u>CLASS</u>	<u>TITLE</u>	<u>MAX</u> <u>ANNUAL</u> <u>SALARY</u>	<u>NO OF</u> <u>POSIT</u> <u>IONS</u>	<u>ANNUAL</u> <u>COST @ MAX</u> <u>SALARY</u>	<u>FY 98-99</u> <u>CHANGE IN</u> <u>FTEs</u>	<u>CHANGE IN</u> <u>FY 1998-99</u> <u>BUDGET</u>
6130	SAFETY ANALYST	\$ 73,785	1	\$ 73,785	1.00	\$ 60,709
8139	INDUSTRIAL INJURY INVESTIGATOR	\$ 48,729	1	\$ 48,729	1.00	\$ 41,172
	TOTAL - SALARIES			\$ 122,514		\$ 101,881
	FRINGE BENEFITS			\$ 31,853		\$ 26,489
	TOTAL		2	\$ 154,367	2.00	\$ 128,370

- Approximately \$195,000 for a **Revenue Enhancement** program, which would provide funding for three new positions (3.0 FTE). The cost of these positions would be partially offset by \$150,000 in increased revenues. These positions would be responsible for examining possible revenue enhancement opportunities within the Department. Potential revenue enhancement areas to be examined include new concessionaire agreements, public/private partnerships, community partnerships, facility use during off-peak time, expansion of events in Golden Gate Park, corporate sponsorships, improved use of the Marina, golf course agreements, parking revenue opportunities, and expanding the solicitation of State and Federal funds. The Department is requesting the following three new positions:

<u>CLASS</u>	<u>TITLE</u>	<u>MAX</u> <u>ANNUAL</u> <u>SALARY</u>	<u>NO OF</u> <u>POSIT</u> <u>IONS</u>	<u>ANNUAL</u> <u>COST @ MAX</u> <u>SALARY</u>	<u>FY 98-99</u> <u>CHANGE</u> <u>IN FTEs</u>	<u>CHANGE IN</u> <u>FY 1998-99</u> <u>BUDGET</u>
1823	SENIOR ADMINISTRATIVE ANALYST	\$ 62,823	3	\$ 188,468	3.00	\$ 155,034
	FRINGE BENEFITS			\$ 49,002		\$ 40,309
	TOTAL		3	\$ 237,470	3.00	\$ 195,343

- \$100,000 for **Staff Uniforms** (e.g., a choice of a jacket, polo shirt and/or hat) with a Recreation and Park Department logo for all employees who interact with the public, such as gardeners and recreational facilities staff.
- Approximately \$42,000 for **Wide Area Network (WAN) Development**. This request would add one new position (0.75 FTE) to expand the Department's Local Area Network (LAN) to a Wide

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
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Area Network (LAN) involving six remote RPD sites. The proposed expansion would allow the Department's remote staff to access e-mail, the centralized facility reservation system, the job order tracking system, and other databases. A request for approximately \$100,000 for computer equipment is included separately in the proposed General City Responsibilities budget for FY 1998-99. The cost of the requested new position is as follows:

<u>CLASS</u>	<u>TITLE</u>	<u>MAX ANNUAL SALARY</u>	<u>NO. OF POS- ITIONS</u>	<u>ANNUAL COST @ MAX SALARY</u>	<u>FY 98-99 CHANGE IN FTEs</u>	<u>CHANGE IN FY 1998-99 BUDGET</u>
1022	ADMINISTRATOR II	\$ 53,453	1	\$ 53,453	0.75	\$ 33,003
	FRINGE BENEFITS			\$ 13,898		\$ 8,581
	TOTAL		1	\$ 67,351	0.75	\$ 41,584

- **\$25,000 for Training.** The Department has identified various training courses, including communication, health and safety, pest management, technical horticulture, customer service, First Aid and CPR, custodial training, park patrol safety and public education, community outreach, and diversity training and youth-at-risk, which would meet the Department's training needs.
- **\$25,000 as part of a Customer Service initiative** in order to publish a newsletter containing a list of all RPD programs.
- **\$20,000 for the WritersCorps Program** through a work order with the Art Commission.

The proposed budget also reflects a net increase of \$2.0 million for other changes, as follows:

- **\$382,000 for six new positions (5.5 FTE), as shown below:**

<u>CLASS</u>	<u>TITLE</u>	<u>MAX ANNUAL SALARY</u>	<u>NO. OF POS- ITIONS</u>	<u>ANNUAL COST @ MAX SALARY</u>	<u>FY 98-99 CHANGE IN FTEs</u>	<u>CHANGE IN FY 1998-99 BUDGET</u>
3434	TREE TOPPER	\$ 44,735	1	\$ 44,735	0.75	\$ 28,440
1376	SPECIAL ASSISTANT XVII	\$ 97,718	1	\$ 97,718	0.75	\$ 73,289
3422	PARK SECTION SUPERVISOR	\$ 49,329	1	\$ 49,329	1.00	\$ 50,686
1366	SPECIAL ASSISTANT VII	\$ 47,450	1	\$ 47,450	1.00	\$ 47,450
2708	CUSTODIAN	\$ 35,470	1	\$ 35,470	1.00	\$ 36,357
5272	ASST LANDSCAPE ARCHITECT	\$ 66,920	1	\$ 66,920	1.00	\$ 66,920
	TOTAL - SALARIES			\$ 341,622		\$ 303,142
	FRINGE BENEFITS			\$ 88,822		\$ 78,817
	TOTAL		6	\$ 430,444	5.50	\$ 381,959

The 1366 Special Assistant VII, 2708 Custodian and 5272 Assistant Landscape positions are for the Open Space Program and are funded entirely by Open Space revenues. The new Tree Topper

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position is for Golden Gate Park and would be partially offset by a reduction in overtime by \$38,092. The Special Assistant XVII position is being requested to serve as a Homeless Coordinator for Golden Gate Park and other City parks. The 3422 Park Section Supervisor position was inadvertently added to the Department's budget.

- 45 position substitutions, at an added cost of \$634,000 in FY 1998-99, plus wage and fringe benefit increases for existing personnel of approximately \$2.2 million.
- Other position changes, resulting in a net decrease of \$1.3 million (-27.24 FTE): (a) 5.0 FTE existing positions funded by Golden Gate Park Bond funds/Open Space capital project funds being added to the position count in order to reflect existing project-funded staff; (b) the deletion of 14.5 FTE vacant positions; (c) increased attrition savings of \$283,768 (a reduction of 10.74 FTE); and (d) a reduction of 7.0 FTE to reflect project-funded staff.
- An increase of approximately \$376,000 for debt service payments at 3Com Park, which is necessary because RPD's FY 1997-98 budget had been reduced by \$500,000 for a one-time savings due to overpayments in prior years.
- A reduction of approximately \$238,000 for services of other departments, based primarily on reductions in City Attorney, Light, Heat & Power and Central Shop – Auto services.

In summary, the proposed budget includes a total of 59 new permanent positions (47.75 FTE), plus five existing permanent positions being enumerated in the budget, offset by a reduction of 14.5 FTE permanent positions, resulting in an overall net increase of 49.5 permanent positions (38.25 FTE).

Comments:

1. While there is an overall decline of approximately \$1.14 million in RPD's proposed facilities maintenance and capital improvements budget for FY 1998-99, the Department is requesting an increase of \$100,000 (to \$250,000) for facilities maintenance at Camp Mather. These additional funds will enable RPD to renovate or build new cabins and to renovate bathhouse facilities in need of structural repairs. According to RPD, the cabins are almost 80 years old and the facilities maintenance budget has not been sufficient to repair the facility appropriately.

2. The Mayor's budget provides for an increase of \$5,369,106. Our recommended reductions, which total \$1,230,246, would still allow for an increase of \$4,138,860 or 5.9 percent in the Department's budget.

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Department: REC - Recreation and Park Commission

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
<u>Golden Gate Park - General Fund (EAA)</u>								
82	001	Permanent Salaries - Misc. * The recommended reduction in Permanent Salaries-Misc. is the total of the following specific recommendations regarding individual classifications.				\$4,488,721	\$4,285,979	*
240	001	Park Section Supervisor This corrects an error in the Mayor's budget, which substituted 24 instead of 20 FTE 3422 Park Section Supervisors for 20 FTE 3418 Gardener Assistant Supervisors.	3422	4.00	0.00	202,742	0	\$202,742
182	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.				1,207,967	1,155,254	52,713
182	060	Equipment Purchase * The recommended reduction in equipment is the total of the following specific recommendations.				98,500	93,500	*
267	060	3/4 Ton Pickup Decrease equipment purchase based on price.	RP701	1.00	1.00	29,000	24,000	5,000

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Page			Position/ Equipment	Number		Amount		
No.	Object	Account Title	Number	From	To	From	To	Savings
<u>Neighborhood Services - General Fund (EAE)</u>								
2188	060	Equipment Purchase				\$399,017	\$394,017	*
		* The recommended reduction in equipment is the total of the following specific recommendations.						
2270	060	3/4 Ton Pickup	RP703	1.00	1.00	29,000	24,000	\$5,000
		Decrease equipment purchase based on price.						
<u>Maintenance & Operation of Golf Course - General Fund (ECG)</u>								
2221	001	Permanent Salaries - Misc.				2,049,416	1,952,672	*
		* The recommended reduction in Permanent Salaries-Misc. is the total of the following specific recommendations regarding individual classifications.						
2257	001	Gardener Assistant Supervisor	3418	(1.00)	(1.00)	48,272	(48,272)	96,544
		This adjustment corrects the Mayor's budget, which added instead of subtracting the salary for this substitution.						
2221	013	Mandatory Fringe Benefits				510,281	485,180	25,101
		Corresponds to reduction in salaries.						

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Page			Position/ Equipment	Number		Amount		
No.	Object	Account Title	Number	From	To	From	To	Savings
<u>Urban Forestry - General Fund (ECJ)</u>								
225	001	Permanent Salaries - Misc. * The recommended reduction in Permanent Salaries-Misc. is the total of the following specific recommendations regarding individual classifications.				\$1,792,411	\$1,502,779	*
260	001	Gardener Assistant Supervisor This adjustment corrects the Mayor's budget, which added instead of subtracting the salaries for these substitutions.	3418	(3.00)	(3.00)	144,816	(144,816)	\$289,632
225	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.				425,867	350,563	75,304

Departmental Administration - Business Office - General Fund (EIA)

226	001	Permanent Salaries - Misc. * The recommended reduction in Permanent Salaries-Misc. is the total of the following specific recommendations regarding individual classifications.				4,785,665	4,622,701	*
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RECOMMENDATIONS OF THE BUDGET ANALYST FOR
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Department: REC - Recreation and Park Commission

Page No.	Object	Account Title	Position/ Equipment Number	Number		Amount		Savings
				From	To	From	To	
2261	001	Special Assistant XVII	1376N	0.75	0.00	\$73,289	0	\$73,289
2261	001	Special Assistant XV	1374	0.00	0.75	0	\$52,070	(52,070)

The Department advises that this new position was intended to be a substitution for a 1374 Special Assistant XV which was deleted from the budget. The Department further advises that this position should be a 1374 Special Assistant XV instead of a 1376 Special Assistant XVII. Therefore, we recommend that this position be reclassified to a 1374 Special Assistant XV.

2262	001	Senior Administrative Analyst	1823	3.00	0.75	155,034	38,759	116,275
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The Department has not adequately justified the need to hire three new staff, at an annualized cost of \$237,470 (including fringe benefits), in order to raise an additional \$150,000 in revenue. Therefore, we recommend approval of one of the three requested new positions, which should be reduced to 0.75 FTE for timing. The Department already has seven Principal and Senior Administrative Analysts in its Administration Office. We are also recommending approval of two substitutions that would provide for two additional Administrative Analysts in the Administration Office. Although RPD maintains that these three requested new positions will generate \$150,000 in new revenue to the City, and therefore should not be denied by the Board of Supervisors, the Budget Analyst believes that the Department should report back in one year to demonstrate the actual additional revenues realized by the new position which the Budget Analyst is recommending for approval. Overall, we are recommending approval of 45 of the 59 requested new positions.

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Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
262	001	Safety Analyst	6130	1.00	0.75	\$60,709	\$45,532	\$15,177
263	001	Industrial Injury Investigator	8139	1.00	0.75	41,172	30,879	10,293
		Reduce each of these new positions to 0.75 FTE to reflect a hiring date of October 1, 1998.						
226	013	Mandatory Fringe Benefits				1,203,461	1,161,090	42,371
		Corresponds to reduction in salaries.						
226	035	Other Current Expenses				4,289,519	4,264,519	25,000
		In its FY 1998-99 budget request, the Department has requested additional funds to publish a newsletter listing Recreation & Park programs, with the intent of mailing the newsletter to all San Francisco households. (It should be noted that the Department's request of \$300,000 for additional funds for postage was denied by the Mayor's Office, so that the Department will be unable to mail the newsletters.) Since the Department already has a publication that lists Recreation & Park programs, we recommend against the approval of an additional \$25,000 for another publication.						
226	040	Materials and Supplies				154,848	104,848	50,000
		We recommend approval of \$50,000 for staff uniforms, which would provide an allowance of \$62 per employee for at least three t-shirts or hats for the estimated 800 gardening and recreation staff.						

**RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99**

Department: REC - Recreation and Park Commission

Page No.	Object	Account Title	Position/ Equipment Number	Number From	To	Amount From	To	Savings
<u>Children's Baseline - General Fund</u>								
2237	001	Permanent Salaries - Misc.				\$8,140,547	\$7,855,259	*
		* The recommended reduction in Permanent Salaries-Misc. is the total of the following specific recommendations regarding individual classifications.						
2265	001	Locker Room Attendant	3202	5.00	0.00	122,526	0	\$122,526
2265	001	Swimming Pool Cashier-Clerk	3204	4.50	0.00	162,762	0	162,762
		The Department advises that the swimming pools are currently fully staffed, although there is a shortfall in temporary salaries. Therefore, the Budget Analyst has not been provided with justification to add 11 new permanent positions (9.5 FTE) for the swimming pools, but rather is recommending an increase in temporary salaries for the swimming pools.						
2237	005	Temporary Salaries - Misc.				505,423	667,011	(161,588)
		Increase temporary salaries for the swimming pools, based on the Controller's projected shortfall in temporary salaries for FY 1997-98.						
2237	013	Mandatory Fringe Benefits				2,363,974	2,289,799	74,175
		Corresponds to reduction in salaries.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: REC - Recreation and Park Commission

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
237	035	Other Current Expenses					\$328,090 \$328,090	*
		* Reserve \$100,000 for the lease expenses for the Youth/Teen Center, pending identification of a site and negotiation of a lease.						
Total Recommended Reductions								\$1,230,246
Total Recommended Reserves								\$100,000

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: DPW DEPARTMENT OF PUBLIC WORKS

Budget Volume: II
Budget Page: 421

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$18,161,464	\$20,067,668	\$1,906,204	10.5 %
Other Department Revenue	24,126,109	23,130,869	(995,240)	-4.1
Recoveries	57,256,948	66,791,867	9,534,919	16.7
Dept. General Fund Revenue	1,931,000	5,238,000	3,307,000	171.3
Supplemental Appropriations				-
Total Sources	\$101,475,521	\$115,228,404	\$13,752,883	13.6 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$95,692,521	\$109,645,404	\$13,952,883	14.6 %
Fac. Maint. / Capital Imp.	5,783,000	5,583,000	(200,000)	-3.5
Subtotal - Mayor's Budget	\$101,475,521	\$115,228,404	\$13,752,883	13.6 %
Supplemental Appropriations				-
Total Uses	\$101,475,521	\$115,228,404	\$13,752,883	13.6 %
Mayor's Listed Positions:				
Permanent	1,216.87	1,329.11	112.24	9.2 %
Temporary	108.51	106.06	(2.45)	-2.3
Attrition Savings	(34.55)	(26.03)	8.52	24.7
Project Positions	(384.12)	(377.25)	6.87	1.8
Subtotal, Mayor's Budget	906.71	1,031.89	125.18	13.8 %
Adjustments (FTE):				
Overtime	20.33	19.64	(0.69)	-3.4 %
Supplemental Appropriations				-
Other Adjustments	(0.03)	(2.00)	(1.97)	5648.7
Total FTE	927.01	1,049.53	122.52	13.2 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **DPW - Department of Public Works**

Financial Data:

The Department of Public Works proposed \$109,645,404 operating budget for FY 1998-99 is \$13,952,883 or 14.6 percent more than the original FY 1997-98 operating budget of \$95,692,521. The net increase from the revised FY 1997-98 operating budget of \$98,657,630 to the proposed budget is \$10,987,774, or 11.1 percent.

Summary of Budgeted Activities:

<u>Program</u>	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year 1998-99</u>
	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Mayor's Recommended</u>
General Administration	\$9,227,597	\$9,227,597	\$10,254,148
Building Repair and Maintenance	24,556,559	26,739,389	29,651,048
Street and Sewer Repair	15,686,456	15,244,457	17,471,587
Street Environmental Services	25,266,480	25,092,877	27,292,777
Architecture	5,396,705	4,204,233	4,378,143
Engineering	7,768,928	9,958,400	10,049,504
Construction Management Services	2,594,413	2,989,596	3,918,732
Street Use and Mapping	<u>5,195,383</u>	<u>5,201,081</u>	<u>6,629,465</u>
Subtotal	\$95,692,521	\$98,657,630	\$109,645,404
Capital Projects	<u>5,783,000</u>	<u>5,317,817</u>	<u>5,583,000</u>
Total	\$101,475,521	\$103,975,447	\$115,228,404

Department Organization:

The eight Bureaus in the Department of Public Works are currently organized under three Divisions as follows:

- Administration
 - Bureau of General Administration
- Operations
 - Bureau of Building Repair and Maintenance
 - Bureau of Street and Sewer Repair
 - Bureau Street and Environmental Services

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **DPW - Department of Public Works**

- Engineering
 - Bureau of Architecture
 - Bureau of Engineering
 - Bureau of Construction Management
 - Bureau of Street Use and Mapping

Department Expenditures:

Labor Costs: The total number of FTEs has increased from 927.00 in the Fiscal Year 1997-98 Original Budget to 1,049.53 in the Mayor's Fiscal Year 1998-99 Budget, an increase of 122.52 positions. In summary, these changes include:

<u>Program</u>	<u>FY 1997-98</u>	<u>FY 1998-99</u>	<u>Difference</u>
General Administration	101.33	104.88	3.55
Building Repair and Maintenance	263.69	312.55	48.86
Street and Sewer Repair	129.86	134.35	4.49
Street and Environmental Services	273.66	314.08	40.42
Architecture	24.37	22.07	(2.30)
Engineering	25.21	46.53	21.32
Construction Management Services	35.81	33.59	(2.22)
Street Use and Mapping	<u>52.78</u>	<u>63.84</u>	<u>11.06</u>
Sub-Total	906.71	1,031.89	125.18
Adjustments	<u>20.30</u>	<u>17.64</u>	<u>(2.66)</u>
Total	927.01	1,049.53	122.52

More specifically, personnel changes for each DPW bureau include:

- **Bureau of General Administration:** The Bureau of General Administration (GEN) is adding one training position (0.5 FTE) to provide on-site training at the Cesar Chavez Street yard to DPW's Bureau of Street and Sewer Repair staff and diversity training throughout DPW. Other adjustments add 3.0 FTEs as transfers of architectural and clerical staff from the DPW Bureaus of Engineering and Construction Management and training staff from the City's Department of Human Resources, and 0.05 FTE in Attrition Savings. These changes represent an addition of 3.55 FTEs to the Bureau of General Administration.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: DPW - Department of Public Works

- **Bureau of Building Repair and Maintenance:** The Bureau of Building Repair and Maintenance (BBR) will be cleaning and maintaining City Hall prior to its scheduled re-opening in January of 1999 by the. Prior to that re-opening, DPW will be responsible for maintaining and cleaning the building as well as funding utilities. BBR's General Fund budget includes 16.78 FTEs in additional custodial and craft positions to provide the maintenance and cleaning services. In addition, there are 3.51 FTEs in temporary salaries in BBR's work order budget for City Hall maintenance that will be funded from non-General Fund departments and through special event fees. There are also various increases for materials and supplies, equipment, elevator maintenance contract and permits related to operating City Hall. Also, 15.89 more FTEs are added by annualizing a FY 1997-98 supplemental appropriation for maintaining the new courthouse. Other adjustments reported by DPW add 12.68 FTEs resulting from changes related to an increase of Temporary Salaries and Premium Pay and a reduction to Attrition Savings. These changes represent an addition of 48.86 FTEs to the Bureau of Building Repair and Maintenance.
- **Bureau of Street and Sewer Repair:** No major changes; the Bureau of Street and Sewer Repair's (SSR) personnel count increased by 4.49 FTE as a result of a reduction in Attrition Savings.
- **Bureau of Street and Environmental Services:** The Bureau of Street and Environmental Services (SES) began several street and sidewalk cleaning initiatives, such as (1) 'Adopt-a-Block'; (2) additional "green machine" sidewalk cleaning; (3) increased Sheriff's Work Alternative Program (SWAP) cleaning; and (4) neighborhood anti-litter team crews. These SES programs will be funded through an increase of \$5, from \$25 to \$30, in mechanical street sweeping parking fines, which were approved by the Board of Supervisors during the current fiscal year. The annualization of these positions adds 39.96 FTEs to the Bureau of Street and Environmental Services. Other adjustments add 1.0 FTE as a transfer of one position from the Bureau of Engineering and a reduction of 0.54 FTE for Temporary Salaries. These changes represent an addition of 40.42 FTEs to the Bureau of Street and Environmental Services.
- **Bureau of Architecture:** A transfer will be made of four architectural positions (4 FTEs) from the Department of Public Transportation (MUNI) to DPW's Bureau of Architecture (BOA). These transfers will result in a more efficient use of existing architectural resources than if the four positions remained in MUNI's smaller architectural unit. BOA also transferred 6.3 FTEs to other DPW Bureaus, including Construction Management and Street Use and Mapping, for a net decrease of 2.3 FTEs for the Bureau of Architecture.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: DPW - Department of Public Works

- **Bureau of Engineering:** An addition has been proposed of three new engineering positions (2.25 FTEs) to the Bureau of Engineering (BOE) to work on a projected 62 new engineering projects and three larger, bond-funded projects to be undertaken during Fiscal Year 1998-99. Other adjustments add 5.73 FTEs as continuations of positions from Fiscal Year 1997-98; and 13.34 FTEs of other transfers as presented by DPW. These changes represent an addition of 21.32 FTEs to the Bureau of Engineering.
- **Bureau of Construction Management:** No major changes; the Bureau of Construction Management's (BCM) personnel count decreased by 2.22 FTEs as a result of an increase of attrition savings from Fiscal Year 1997-98.
- **Bureau of Street Use and Mapping:** There will be an expansion of permit processing and street and sidewalk inspections by the Bureau of Street Use and Mapping (SUM). Increased construction activity in the City has in turn increased SUM's 1997-98 General Fund revenues by more than \$700,000, or more than 30%, over the original projection. With the addition of six positions (4.5 FTEs) to process street-use permits and expand street and sidewalk inspections, SUM expects to increase revenue by an additional \$200,000 in Fiscal Year 1998-99. SUM also intends to hire three new staff (2.25 FTEs) to coordinate more than 4,000 street excavations; two new staff (1.5 FTE) to implement a multi-agency inspection program for commercial districts designed to address quality-of-life issues; and one new staff (0.75 FTE) to help coordinate the City's Utility Undergrounding Program, which will increase from 40 to 80 blocks in Fiscal Year 1998-99. Other adjustments add 2.0 FTEs as transfers from the Bureau of Architecture, and 0.06 FTE as a reduction in Attrition Savings. These changes represent an addition of 11.06 FTEs to the Bureau of Street Use and Mapping.
- Other changes include a reduction of 0.69 FTEs associated with changes in overtime Department-wide and a reduction of 1.97 FTEs related to personnel time needed for the training of new personnel, for a net decrease of 2.66 FTEs.

Comments:

1. More recent projections of revenues for various fees collected by the Bureau of Street Use and Mapping (SUM) indicates that anticipated FY 1997-98 revenues for such fees should be increased by \$785,000. However, SUM does not intend to increase fee revenue for Fiscal Year 1998-99 above the current \$2,838,000 revenue projection.

2. The Budget Analyst's budget review for Fiscal Year 1997-98 identified an issue regarding performance of an insufficient number of sidewalk inspections to meet the goals set by the Department. In response to this comment, DPW requested and the Mayor's Office is recommending the funding of six positions in the Bureau of Street Use and Mapping, including three Street Inspectors.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS

1998-99

Department/Division: DPW - Department of Public Works

3. Our examination of vehicle repair costs in the Bureau of Building Repair and Maintenance found a significantly high cost with the repair and maintenance of service vehicles that have generally outlived their usefulness. The Department should re-examine its vehicle replacement policy to determine if it is more cost effective to replace certain service vehicles rather than to continue the use and repair of existing vehicles in their service fleet.

4. The Budget Analyst recommends the reduction of expenditures totaling \$1,606,674 and the reservation of funds totaling \$50,000 in each of the DPW's eight Bureaus as follows:

<u>Bureau</u>	<u>Budget Analyst's Recommended Reductions</u>	<u>Budget Analyst's Recommended Reserves</u>
General Administration	\$231,066	
Building Repair and Maintenance	75,642	
Street and Sewer Repair	44,491	
Street Environmental Services	59,175	
Architecture	148,600	\$16,667
Engineering	959,096	16,667
Construction Management Services	72,104	16,666
Street Use and Mapping	<u>16,500</u>	<u>0</u>
Total	\$1,606,674	\$50,000

5. The recommendation above include General Fund reductions in the following Bureaus and programs:

<u>Bureaus and Programs</u>	<u>Amount</u>
Building Repair and Maintenance	\$35,902
Street Environmental Services, Graffiti Abatement Program	47,425
Street Use and Mapping	<u>6,000</u>
Total General Fund	\$89,327

6. In addition, the recommendations above include Gas Tax reductions in the following Bureaus and Programs:

Street and Sewer Repair, Gas Tax	\$26,004
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RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: DPW - Department of Public Works

7. The combined impact of the General Fund (\$89,327) and the Gas Tax (\$26,004) reductions will reduce General Fund support by a total of \$115,331.

8. The Mayor's operating budget for FY 1998-99 provides for an increase of \$13,952,883, or 14.6 percent, over the budget for FY 1997-98. Our recommended reductions, which total \$1,606,674, would still allow an increase of \$12,346,209 or 12.9%, in the Department's operating budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division

DPW - Department of Public Works/
Bureau of General Administration

Page			Position/ Equipment	<u>Number</u>		<u>Amount</u>		
<u>No.</u>	<u>Object</u>	<u>Account Title</u>	<u>Number</u>	<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	<u>Savings</u>
<u>Bureau of General Administration</u>								
782	001	Permanent Salaries - Misc.				\$6,242,316	\$6,067,236	•
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.						
854	001	Training Officer	1232N	0.50	0.00	27,261	0	\$27,261
		The Department has not adequately justified the need for this position.						
857	001	Attrition Savings - Misc.	9993M	(2.38)	(4.75)	(141,762)	(289,581)	147,819
		Increase Attrition Savings to actual 1997-98 expenditure level adjusted for salary standardization.						
782	013	Mandatory Fringe Benefits				1,411,659	1,371,802	39,857
		Corresponds to reduction in salaries.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division

DPW - Department of Public Works/
Bureau of General Administration

Page No.	Object	Account Title	Position/ Equipment Number	Number From	To	Amount From	To	Savings
<u>Bureau of General Administration</u>								
83	060	Equipment Purchase				\$648,266	\$632,137	*
		* The recommended reduction in equipment is the total of the following specific recommendations.						
371	060	Office Equipment	6098			66,896	53,517	\$13,379
		Reduction to unspecified office equipment budget by 20 percent based on identification of reduced need for Departments that are moving back into City Hall.						
		Approval of the balance of \$53,517 is a policy matter for the Board of Supervisors.						
72	060	System Furniture Unit	SF001N	11	11	71,786	69,036	2,750
		To reduce the unit price by \$250 from \$6,526 to \$6,276.						

Total Recommended Reductions

\$231,066

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division

DPW - Department of Public Works/
Bureau of Building Repair and Maintenance

Page			Position/ Equipment	<u>Number</u>		<u>Amount</u>		
<u>No.</u>	<u>Object</u>	<u>Account Title</u>	<u>Number</u>	<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	<u>Savings</u>

Bureau of Building Repair and Maintenance

Maintenance and Operation of Buildings (1G AGF AAA)

563	001	Permanent Salaries - Misc.				\$2,776,616	\$2,769,116	*
		<p>* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.</p>						
839	001	Attrition Savings - Misc.	9993M	(1.82)	(2.17)	(78,083)	(85,583)	\$7,500
		<p>Increase Attrition Savings to actual 1997-98 expenditure level adjusted for salary standardization.</p>						
563	013	Mandatory Fringe Benefits				762,041	759,982	2,059
		<p>Corresponds to reduction in salaries.</p>						
563	035	Other Current Expenses				1,041,870	1,034,370	7,500
		<p>Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.</p>						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division

DPW - Department of Public Works/
Bureau of Building Repair and Maintenance

Page No.	Object	Account Title	Position/ Equipment			Amount		Savings
			Number	From	To	From	To	
863	060	Equipment Purchase				\$394,317	\$375,474	*
		* The recommended reduction in equipment is the total of the following specific recommendations.						
865	060	Office Equipment	6098			82,967	66,374	\$16,593
		Reduction to unspecified office equipment budget by 20 percent based on identification of reduced need for Departments that are moving back into City Hall. Approval of the balance of \$66,374 is a policy matter for the Board of Supervisors.						
865	060	System Furniture Unit	SF001N	9	9	58,824	56,574	2,250
		To reduce the unit price by \$250 from \$6,526 to \$6,276.						

Bureau Support Services (2S PWF OHF)

725	001	Permanent Salaries - Misc.				1,911,329	1,891,329	*
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division

DPW - Department of Public Works/
Bureau of Building Repair and Maintenance

Page No.	Object	Account Title	Position/ Equipment Number	<u>Number</u>		<u>Amount</u>		<u>Savings</u>
				<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
844	001	Attrition Savings - Misc.	9993M	0.94	(1.25)	(\$60,050)	(\$80,050)	\$20,000
		Increase Attrition Savings to actual 1997-98 expenditure level adjusted for salary standardization.						
725	005	Temporary Salaries				287,445	277,445	10,000
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.						
563	013	Mandatory Fringe Benefits				452,569	447,829	4,740
		Corresponds to reduction in salaries.						
725	035	Other Current Expenses				56,000	51,000	5,000
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.						

Total Recommended Reductions

\$75,642

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division

DPW - Department of Public Works/
Bureau of Street and Sewer Repair

Page No.	Object	Account Title	Position/ Equipment Number	Number From	To	Amount From	To	Savings
<u>Bureau of Street and Sewer Repair</u>								
<u>Street Repair Program (2S GTF RDF)</u>								
456	035	Other Current Expenses				\$151,004	\$125,000	\$26,004
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.						
<u>Bureau Support Services (2S PWF OHF)</u>								
456	001	Permanent Salaries - Misc.				659,479	650,044	*
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.						
324	001	Attrition Savings - Misc.	9993M	(0.41)	(0.60)	(23,539)	(32,974)	9,435
		Increase Attrition Savings from 3.42 percent to 5 percent to reflect current year level of salary expenditures.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division

DPW - Department of Public Works/
Bureau of Street and Sewer Repair

Page			Position/ Equipment	<u>Number</u>		<u>Amount</u>		
<u>No.</u>	<u>Object</u>	<u>Account Title</u>	<u>Number</u>	<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	<u>Savings</u>

Bureau of Street and Sewer Repair

456	013	Mandatory Fringe Benefits				\$153,777	\$151,590	\$2,187
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Corresponds to reductions in salaries.

456	022	Training				21,865	15,000	6,865
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Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99. Our recommendation still provides for an increase of \$10,823 in training for 1998-99.

Total Recommended Reductions

\$44,491

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division

DPW Department of Public Works
Bureau of Street Environmental Services

Page No.	Object	Account Title	Position/ Equipment Number	Number From	To	Amount From	To	Savings
<u>Street Environmental Services</u>								
<u>General Fund Program (1G AGF AAA)</u>								
9	001	Permanent Salaries - Misc				\$2,863,110	\$2,826,403	*
		* The recommended reduction in Permanent Salaries - Misc is the total of the following specific recommendations regarding individual classifications.						
9	001	Attrition Savings	9993M	(1.17)	(2.34)	(36,707)	(73,414)	\$36,707
		Increase Attrition Savings to actual 1997-98 expenditure level adjusted for salary standardization.						
9	013	Mandatory Fringe Benefits				835,877	825,159	10,718
		Corresponds to reduction in salaries.						

Street Environmental Services - Road Fund (2S GTF GTF)

No Expenditure reductions

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division

DPW Department of Public Works
Bureau of Street Environmental Services

Page			Position/ Equipment	<u>Number</u>		<u>Amount</u>			
<u>No.</u>	<u>Object</u>	<u>Account Title</u>	<u>Number</u>	<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	<u>Savings</u>	

Street Environmental Services

Bureau Support Services (2S PWF OHF)

776	001	Permanent Salaries - Misc				\$284,663	\$275,263		*
		* The recommended reduction in Permanent Salaries - Misc is the total of the following specific recommendations regarding individual classifications.							
852	001	Assistant Civil Engineer	5204	1.00	0.83	56,402	47,002	\$9,400	
		Reduction reflects time needed to hire new employee.							
713	013	Mandatory Fringe Benefits				69,037	66,687	2,350	
		Corresponds to reduction in salaries.							

Total Recommended Reductions

\$59,173

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division			<u>DPW - Department of Public Works/</u> <u>Bureau of Architecture</u>						
Page	Object	Account Title	Position/ Equipment	Number		Amount		To	Savings
No.			Number	From	To	From			
<u>Bureau of Architecture</u>									
<u>Bureau Support Services (2S PWF OHF)</u>									
661	022	Training				\$67,950	\$50,000	\$17,950	
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.							
661	035	Other Current Expenses				675,450	625,000	50,450	
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.							
661	040	Materials and Supplies				280,200	200,000	80,200	
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.							
661	081	Services of Other Depts.				16,667	16,667	*	
		Reserve pending additional information from the Department of Telecommunications and Information Services.							
Total Recommended Reductions								\$148,600	
Total Recommended Reserves								\$16,667	

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division

DPW - Department of Public Works/
Bureau of Engineering

Page	Position/ Equipment			Number		Amount			
No.	Object	Account Title	Number	From	To	From	To	Savings	
<u>Bureau of Engineering</u>									
<u>Interdepartmental Services (IG AGF WOF)</u>									
462	001	Permanent Salaries - Misc.				\$10,410,207	\$9,681,493	•	
		• The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.							
827	001	Attrition Savings - Misc.	9993M	0.00	(12.34)	0	(728,714)	\$728,714	
		Increase Attrition Savings to account for additional FTEs not adequately explained by the Department.							
462	013	Mandatory Fringe Benefits				2,092,685	1,945,980	146,705	
		Corresponds to reduction in salaries.							

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division			DPW - Department of Public Works/ Bureau of Engineering						
Age	o. Object	Account Title	Position/ Equipment	Number		Amount		To	Savings
			Number	From	To	From			
Bureau of Engineering									
Bureau Support Services (2S PWF OHF)									
86	027	Professional Services				\$93,000	\$73,000	\$20,000	
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.							
86	035	Other Current Expenses				1,079,353	1,050,000	29,353	
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.							
86	040	Materials and Supplies				234,324	200,000	34,324	
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.							
87	081	Services of Other Depts.				16,667	16,667	*	
		Reserve pending additional information from the Department of Telecommunications and Information Services.							
Total Recommended Reductions							\$959,096		
Total Recommended Reserves							\$16,667		

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division

DPW - Department of Public Works/
Bureau of Construction Management Services

Page			Position/ Equipment	<u>Number</u>		<u>Amount</u>			
<u>No.</u>	<u>Object</u>	<u>Account Title</u>	<u>Number</u>	<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	<u>Savings</u>	

Construction Management Services

Bureau Support Services (2S PWF OHF)

550	001	Permanent Salaries - Misc.				\$1,126,267	\$1,104,831		*
		<p>* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.</p>							
834	001	Attrition Savings - Misc.	9993M	(0.64)	(1.10)	(34,877)	(56,313)	\$21,436	
		<p>Increase Attrition Savings from 2.91 percent to 5 percent to reflect current year level of salary expenditures.</p>							
550	005	Temporary Salaries				130,270	123,757	6,513	
		<p>Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.</p>							
550	013	Mandatory Fringe Benefits				277,525	272,230	5,295	
		<p>Corresponds to reduction in salaries.</p>							

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division

DPW - Department of Public Works/
Bureau of Construction Management Services

Page No.	Object	Account Title	Position/ Equipment	Number		Amount	To	Savings
			Number	From	To	From		
<u>Construction Management Services</u>								
51	035	Other Current Expenses				\$436,360	\$400,000	\$36,360
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.						
51	060	Equipment Purchase				40,000	37,500	*
		* The recommended reduction in equipment is the total of the following specific recommendations.						
63	060	Workstations, Technical	PW306R	5	5	40,000	37,500	2,500
		Reduce to reflect actual costs of the Department.						
51	081	Services of Other Depts.				16,666	16,666	*
		Reserve pending additional information from the Department of Telecommunications and Information Services.						
Total Recommended Reductions								\$72,104
Total Recommended Reserves								\$16,666

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division

DPW - Department of Public Works/
Bureau of Street Use and Mapping

Page			Position/ Equipment	Number		Amount		
No.	Object	Account Title	Number	From	To	From	To	Savings

Bureau of Street Use and Mapping

Street Use Management Program (1G AGF AAP)

735	005	Temporary Salaries				\$66,722	\$61,722	\$5,000
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Reduce to actual 1997-98
expenditure level adjusted by a
cost of living factor for 1998-99.

735	011	Overtime				5,600	4,600	1,000
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Reduce to actual 1997-98
expenditure level adjusted by a
cost of living factor for 1998-99.

Bureau Support Services (2S PWF OHF)

738	027	Professional Services				10,000	7,000	3,000
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Reduce to actual 1997-98
expenditure level adjusted by a
cost of living factor for 1998-99.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division

DPW - Department of Public Works/
Bureau of Street Use and Mapping

Page No.	Object	Account Title	Position/ Equipment Number	Number From	To	Amount From	To	Savings
<u>Bureau of Street Use and Mapping</u>								
38	035	Other Current Expenses				\$49,900	\$42,400	\$7,500
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.						
Total Recommended Reductions								\$16,500
Total Department Recommended Reductions								\$1,606,674
Total Department Recommended Reserves								\$50,000

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: DBI DEPARTMENT OF BUILDING INSPECTION

**Budget Volume:
Budget Page:**

**III
1029**

	<u>FY 1997-98 Budget</u>	<u>Mayor's FY 1998-99 Budget</u>	<u>Change</u>	<u>Percent Change</u>
Mayor's Revenue Amounts:				
General Fund Unallocated				
Other Department Revenue	\$22,907,397	\$29,295,531	\$6,388,134	27.9 %
Recoveries		73,000	73,000	-
Dept. General Fund Revenue				
Supplemental Appropriations				-
Total Sources	\$22,907,397	\$29,368,531	\$6,461,134	28.2 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$22,907,397	\$24,731,208	\$1,823,811	8.0 %
Fac. Maint. / Capital Imp.		4,637,323	4,637,323	-
Subtotal - Mayor's Budget	\$22,907,397	\$29,368,531	\$6,461,134	28.2 %
Supplemental Appropriations				-
Total Uses	\$22,907,397	\$29,368,531	\$6,461,134	28.2 %
Mayor's Listed Positions:				
Permanent	231.75	251.75	20.00	8.6 %
Temporary				-
Attrition Savings	(17.29)	(17.27)	0.02	0.1
Subtotal, Mayor's Budget	214.46	234.48	20.02	9.3 %
Adjustments (FTE):				
Overtime	0.90	1.68	0.98	108.4 %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	215.36	236.36	21.00	9.7 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **DBI - Department of Building Inspection**

Financial Data:

The Department of Building Inspection's proposed \$24,731,208 budget for FY 1998-99 is \$1,823,811 or 8.0 percent more than the original FY 1997-98 budget of \$22,907,397. The net increase from the revised FY 1997-98 budget is \$2,265,725 or 10.1 percent.

Summary of Budgeted Activities:

<u>Activity</u>	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year 1998-99</u>
	<u>Original</u>	<u>Revised</u>	
Department of Building Inspection			
Administrative Services	\$2,333,406	\$2,071,492	\$3,295,906
Inspection Services	11,705,749	11,705,749	11,406,062
Permit Services	7,159,795	7,159,795	8,320,793
Maint. & Opn. 1660 Mission	308,447	308,447	308,447
1660 Mission Payment	<u>1,400,000</u>	<u>1,400,000</u>	<u>1,400,000</u>
Operating Expenditures	\$22,907,397	\$22,465,483	\$24,731,208
Capital Projects	<u>0</u>	<u>261,914</u>	<u>4,637,323</u>
Total Expenditures	\$22,907,397	\$22,907,397	\$29,368,531

Departmental Revenues:

The Department's services are funded solely from fee revenues for plan checking, permits, and inspection services, as follows:

Licenses and Fines	\$ 3,000,000	\$ 3,000,000	\$ 2,915,000
Transfer from Fund Surplus			4,637,323
Charges for Services	<u>19,907,397</u>	<u>19,907,397</u>	<u>21,816,208</u>
Total Revenues	\$22,907,397	\$22,907,397	\$29,368,531

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **DBI - Building Inspection Commission**

Departmental Organization:

The Department of Building Inspection (DBI) provides three main services to its clients: plan checking, permit processing, and inspection services. In addition, the DBI enforces the City's Building, Housing, Plumbing, Electrical, and Mechanical Codes. The funds for these services are provided solely by revenues from a Special Fund consisting of permit and license fees and from work orders from other City Departments.

Department Expenditures:

The Department of Building Inspection is requesting a total of 25 new full-time positions, as shown in the Attachment to this report, at an annualized cost of \$1,627,192. The 25 new positions would result in an additional 20 FTE positions in FY 1998-99, allocated to the Department's Divisions as follows:

	FY 1997-98	FY 1998-99	New Position FTE	Annualized FTE
	Position Count	Position Count	Change	Change
Administrative Services	27.00	33.50	9.50	12
Inspection Services	113.50	119.75	5.00	6
Permit Services	<u>91.25</u>	<u>98.50</u>	<u>5.50</u>	<u>7</u>
Total	231.75	251.75	20.00	25

The Department of Building Inspection (DBI) Administrative Services Unit performs departmental functions of personnel, payroll, employee safety, purchasing, fiscal management, accounting and the abatement of hazardous materials. Administrative Services also provides support services to its seven-member citizen Building Inspection Commission. The Mayor's recommended budget provides for 12 new positions, as shown in the Attachment.

The DBI Inspection Services Unit proposes to add six new positions, as shown in the Attachment.

The DBI Permit Services unit proposes to add seven new positions, as shown in the Attachment.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS

1998-99

Department: DBI - Building Inspection Commission

In April 1998, the Department of Building Inspection's (DBI) "One Stop Permit" Center, located at the City-owned 1660 Mission Street facility, became operational. The "One Stop Permit" Center is designed to streamline the entire construction permit process and create a new method for managing and coordinating that process. The programs allow various permits to be approved at one location making it convenient to the public. The permits are issued on an expedited basis, providing improved customer service.

Comments:

1. The Department of Building Inspection (DBI) is financed by a Special Building Inspection Fund that accumulates revenues realized from building permit fees collected by DBI. The Department reports that the Special Building Inspection Fund is expected to have a surplus of \$5.1 million at the close of the current fiscal year. The Department has budgeted \$4,637,323 in surplus funds for a capital project, estimated to cost \$5.2 million in total, to enlarge five existing floors of space to the City-owned 1660 Mission Street building. The Budget Analyst is recommending approval of the capital project.

2. Because of the continuing revenue surpluses generated by the Department's current fee structure, DBI has committed to reviewing its fee structure and submitting a report to the Board of Supervisors on possible changes in fees for consideration by the Building Inspection Commission, by December 31, 1998.

3 The Mayor's budget provides for an increase of \$1,823,811. Our recommended reductions, which total \$366,225, would still allow an increase of \$1,457,586 or 6.4 percent in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS

1998-99

Department: **DBI - Building Inspection Commission**

ATTACHMENT

CLASS	TITLE	# POSITIONS	# POSITIONS ANNUALIZED	MAX ANNUAL SALARY	TOTAL SALARIES
PROG: DBI - Administration Services					
NEW POSITIONS					
1220	Payroll Clerk	0.75	1	\$43,482	\$43,482
1372	Special Assistant XI	0.75	1	72,897	72,897
1374	Special Assistant XV	0.75	1	84,407	84,407
1632	Senior Account Clerk	0.75	1	42,151	42,151
5208	Civil Engineer	1.00	1	77,491	77,491
5256	Mechanical Engineer	0.50	1	77,491	77,491
6242	Plumbing Inspector	1.00	1	67,390	67,390
6248	Electrical Inspector	1.50	2	67,390	134,780
6331	Building Inspector	2.00	2	70,078	140,156
6333	<u>Senior Building Inspector</u>	<u>0.50</u>	<u>1</u>	<u>77,256</u>	<u>77,256</u>
	SUBTOTAL	9.50	12	\$ 680,033	\$ 817,501
PROG: DBI - Inspection Services					
NEW POSITIONS					
1452	Executive Secretary	0.75	1	\$ 49,459	\$ 49,459
6248	Electrical Inspector	1.00	1	67,390	67,390
6249	Senior Electrical Inspector	1.50	2	74,306	148,612
6331	<u>Building Inspector</u>	<u>1.75</u>	<u>2</u>	<u>70,078</u>	<u>140,156</u>
	SUBTOTAL	5.00	6	\$ 261,233	405,617
PROG: DBI - Permit Services					
NEW POSITIONS					
1052	Business Analyst	0.75	1	\$ 57,524	\$ 43,143
1374	Special Assistant XV	0.75	1	84,407	63,305
1424	Clerk Typist	0.75	1	35,287	27,127
1426	Senior Clerk Typist	0.75	1	38,654	29,716
5208	Civil Engineer	1.00	1	77,490	77,491
6266	Senior Plan Checker	0.75	1	74,854	55,283
6331	<u>Building Inspector</u>	<u>0.75</u>	<u>1</u>	<u>70,078</u>	<u>108,009</u>
	SUBTOTAL	5.50	7	\$ 438,294	\$ 404,074
TOTAL DBI		20.00	25	1,379,560	\$ 1,627,192

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: DBI - Department of Building Inspection

Page			Position/ Equipment	<u>Number</u>		<u>Amount</u>		
No.	Object	Account Title	Number	From	To	From	To	Savings
DBI - Administration Services (BAN)								
1036	001	Permanent Salaries - Misc.				\$1,849,471	\$1,809,851	*
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.						
1043	001	Senior Clerk Typist	1426A	7	6	277,343	237,723	\$39,620
		To delete a vacant position no longer needed by the Department.						
1036	013	Mandatory Fringe Benefits				422,267	412,759	9,508
		Corresponds to reduction in salaries.						
1036	035	Other Current Expenses				65,510	26,403	39,107
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: DBI - Department of Building Inspection

Page No.	Object	Account Title	Position/ Equipment Number	Number From	To	Amount From	To	Savings
<u>DBI - Inspection Services (BIS)</u>								
038	001	Permanent Salaries - Misc.				\$7,391,213	\$7,351,593	*
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.						
045	001	Senior Clerk Typist	1426A	14	13	554,686	515,066	\$39,620
		To delete a vacant position no longer needed by the Department.						
038	013	Mandatory Fringe Benefits				1,622,442	1,612,934	9,508
		Corresponds to reduction in salaries.						
038	021	Travel				11,287	8,765	2,522
		Reduce to 1997-98 budget level adjusted by a cost of living factor for 1998-99.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: DBI - Department of Building Inspection

Page No.	Object	Account Title	Position/ Equipment <u>Number</u>			<u>Amount</u>		<u>Savings</u>
			Number	From	To	From	To	
1038	035	Other Current Expenses				\$253,015	\$200,000	\$53,015
		Reduce to 1997-98 budget level adjusted by a cost of living factor for 1998-99.						

DBI - Permit Services (BPS)

1040	001	Permanent Salaries - Misc.				5,037,150	4,897,371	-
		• The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.						
1047	001	Business Analyst	1052N	1	0	43,143	0	43,143
		To eliminate a new position not sufficiently justified. However we are recommending approval of 23 of the 25 requested new positions. The Department presently has one Business Analyst and one Business Analyst Assistant.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: DBI - Department of Building Inspection

Page No.	Object	Account Title	Position/ Equipment	<u>Number</u>		<u>Amount</u>		Savings
			Number	From	To	From	To	
47	001	Senior Clerk Typist	1426N	1	0	\$29,716	0	\$29,716
		To eliminate a new position not sufficiently justified. However we are recommending approval of 23 of the 25 requested new positions. The Department is presently authorized 37 Senior Clerk Typists.						
48	001	Associate Civil Engineer	5206	6	5	401,522	334,602	66,920
		To delete a vacant position no longer needed by the Department.						
40	013	Mandatory Fringe Benefits				1,167,761	1,134,215	33,546
		Corresponds to reduction in salaries.						
Total Recommended Reductions								<u>\$366,225</u>

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: AIR AIRPORT COMMISSION

**Budget Volume: III
Budget Page: 889**

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated				- %
Other Department Revenue	\$309,673,842	\$358,132,813	\$48,458,971	15.6
Dept. General Fund Revenue				-
Supplemental Appropriations				-
Total Sources	\$309,673,842	\$358,132,813	\$48,458,971	15.6 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$277,958,301	\$320,107,384	\$42,149,083	15.2 %
Fund Transfers	24,621,402	29,129,434	4,508,032	18.3
Fac. Maint. / Capital Imp.	7,094,139	8,895,995	1,801,856	25.4
Subtotal - Mayor's Budget	\$309,673,842	\$358,132,813	\$48,458,971	15.6 %
Supplemental Appropriations				
Total Uses	\$309,673,842	\$358,132,813	\$48,458,971	15.6 %
Mayor's Listed Positions:				
Permanent	1,135.06	1,302.56	167.50	14.8 %
Temporary	47.60	56.74	9.14	19.2
Attrition Savings	(7.44)	(7.98)	(0.54)	-7.3
Project Positions	(197.00)	(226.00)	(29.00)	-14.7
Subtotal, Mayor's Budget	978.22	1,125.32	147.10	15.0 %
Adjustments (FTE):				
Overtime	18.70	25.16	6.46	34.5 %
Supplemental Appropriations				
Other Adjustments	32.00	12.59	(19.41)	-60.7
Total FTE	1,028.92	1,163.07	134.15	13.0 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: AIR - AIRPORT COMMISSION

Financial Data

The Airport Commission's proposed \$320,107,384 operating budget for FY 1998-99 is \$42,149,083 or 15.2 percent more than the original FY 1997-98 operating budget of \$277,958,301. The net increase from the revised FY 1997-98 budget to the proposed FY 1998-99 budget is \$43,121,837 or 15.6 percent

Summary of Budgeted Activities

	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Administration and Business	\$185,927,361	\$184,954,609	\$211,569,230
Safety and Security	36,270,641	36,255,641	41,782,603
Airport Operation & Maintenance	99	99	0
Facilities Maintenance and Construction	<u>55,760,200</u>	<u>55,775,198</u>	<u>66,755,551</u>
Subtotal Operating Expenditures	\$277,958,301	\$276,985,547	\$320,107,384
Fund Transfers	24,621,402	24,621,402	29,129,434
Facilities Maintenance/Capital Improvements	<u>7,094,139</u>	<u>7,094,140</u>	<u>8,895,995</u>
Total Expenditures	<u>\$309,673,842</u>	<u>\$308,701,089</u>	<u>\$358,132,813</u>

Department Revenues and Fee Charges

Airport revenues are projected to be \$358,132,813 in FY 1998-99, which is \$48,458,971 or 15.6 percent more than the original revenue estimate of \$309,673,842 for FY 1997-98. Major increases in revenues include \$964,000 in interest earned, \$4,783,000 in parking revenues, \$5,866,000 for a new rental car facility fee, \$3,817,000 in car rental concession revenue, \$26,012,826 in total rentals of airline terminals, \$1,445,000 in food and beverage concession revenue, and \$4,382,445 in airline landing fees.

Department Personnel Changes

The Airport's FY 1998-99 budget contains a total of 308 new permanent positions (136.5 see Attachment, of the 167.5 FTE increase for Permanent Positions shown on the first page). The 308 new positions, which include 225 positions to support the new International Terminal facilities, are detailed

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: AIR - AIRPORT COMMISSION

in the Attachment. The net change of 134.15 FTE positions shown on the first page includes changes in temporary positions, attrition savings, project positions overtime, and the effect of annualizing positions originally added the FY 1997-98 budget on a partial FTE basis.

The 225 positions for the new International Terminal (which is planned to be completed by May, 2000), include 95 custodian positions, 72 craft positions, 14 administrative positions, 13 clerical positions, 10 building and code enforcement positions, eight human resource positions, three window cleaner positions, three telecommunications positions, two radio technician positions, two storeroom positions, two scheduler positions, and one street sign worker position.

Five positions (4-A000 positions and 1-1377 positions) are requested to support the Airport Director's upper management reorganization. The Department of Human Resources and the Mayor have approved these positions as well as the Airport Director's upper management reorganization.

The other 78 positions being requested are to support the new and current programs and services:

- | | |
|--------------|--|
| 25 positions | To add graveyard shifts to do preventive maintenance work during off peak hours in order not to inconvenience the traveling public. |
| 10 positions | To implement Employment Development and Welfare-to-Work programs. |
| 8 positions | To develop new exhibitions and children's area for the new International Terminal and new exhibitions for the Treasure Island Museum. |
| 7 positions | To ensure contractor's compliance with the Project Stabilization Agreement and employment goals for women and minorities. |
| 8 positions | To enhance customer service, e.g. increase the number of telephone operators in order to reduce telephone waiting time. |
| 6 positions | To perform responsibilities for the Ground Transportation Inspection program that used to be performed by the San Francisco Police Department. |
| 7 positions | To comply with FAA, security and safety requirements. |
| 3 positions | To develop International Aviation section in order to expand services in the global marketplace. |

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **AIR - AIRPORT COMMISSION**

2 positions	To develop Shared Tenant Service program that will implement a new telecommunications system for the Airport, that is expected to generate \$4.5 million by the year 2002.
2 positions	To manage Airport Audit program and assist with Equal Benefit Compliance.

Other Department Expenditures

Major changes in the Airport's proposed budget are as follows:

Permanent Salaries increase of \$9,068,751, from \$46,244,237 to \$55,312,988, due primarily to a net increase of 134.15 FTE positions. Corresponding Mandatory Fringe Benefits increase by \$2,568,802.

Professional and Specialized Services increase of \$5,631,354, from \$6,851,690 to \$12,483,044, due to increases in consulting services for the development of new programs and services.

Other Current Expenses increase of \$4,011,584, from \$22,990,620 to \$27,002,204, due to increases in shuttle bus services, communications and other maintenance service contracts.

Equipment Purchase increase of \$1,126,870, from \$2,022,200 to \$3,149,070, due to increases in the new vehicle fleet for additional new hires.

Debt Service increase of \$17,211,181, from \$110,648,853 to \$127,860,034, due to the sale of Master Plan bonds.

Intrafund Transfers increase of \$14,329,280, from \$79,546,974 to \$93,876,254. The increase in current expense is due to an increase in additional shuttle bus services, funding for the interim Federal Inspection services, and expanded route service to employee and passenger parking.

Comments

1. The Airport has budgeted a \$10.9 million revenue transfer to the City's General Fund from the Airport's concession revenues for FY 1998-99. The \$10.9 million General Fund revenue transfer is the net of a \$12.5 million payment in principal and interest owed the Airport by the City in FY 1998-99 for the FY 1992-93 advance of \$25 million to the City by the Airport. In FY 1997-98, the Airport's General Fund revenue transfer to the City was \$14.7 million, the net after a \$4.1 million payment to the Airport on the FY 1992-93 advance of \$25 million. The \$12.5 million payment repays in full the debt from the FY 1992-93 \$25 million advance.

2. The Airport is in the first phase of the construction of the \$2.4 billion Master Plan program. Over the next three years, there will be a continuation of the major expansion of both the physical infrastructure and the capacity of the Airport. Construction work including the pile-driving operation, utility relocation, and soil remediation is underway. The major projects in the Near Term Master Plan include the new International Terminal, Airport Rail Transit Operating System, two multileveled

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AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: AIR - AIRPORT COMMISSION

parking garages, elevated circulation roads, and cargo, maintenance, and support facilities. In addition, the Airport is working with the Bay Area Rapid Transit (BART) to bring BART to the Airport. According to the Airport, the Master Plan Program will create 3,500 construction jobs and add \$43 million in local revenues. After construction, the Airport projects that it will continue to help support 241,000 jobs.

3. The Airport, with the approval of the Mayor, is adding a new Bureau of Employment in FY 1998-99 at an estimated annual cost of \$1,090,682. The purpose is to assist minorities, including female, youth and adults, in making the transition from public assistance to a Welfare-to-Work program. The program will provide internships, training, jobs and development opportunities in individual and commercial activities related to aviation.

4. A new International Aviation Program has also been created effective FY 1998-99 at an estimated annual cost of \$380,944. The purpose is to research commercial global aviation markets, attract airlines to SFO, and generate additional revenues.

5. In accordance with the practices of past years and at the request of the Airport, recommended reductions in "Programmatic" budgets have been made on a single line "Reduction Not Detailed" basis. This is done so that the Department can expend funds designated for the various programmatic functions on a total allocation basis, which is one of the reasons why Programmatic budgeting was developed.

6. The Airport has approved the addition of 31 new police officers for FY 1998-99 for the new International Terminal, to be employed at the beginning of the last quarter of FY 1998-99. The total work order amount for FY 1998-99 for the San Francisco Police Department is \$19.8 million. The Airport has also approved 11 new firefighters for FY 1998-99 for the new Firehouse in order to enable the Firehouse to meet a three-minute response time. The total work order amount for FY 1998-99 for the San Francisco Fire Department is \$6.4 million.

7. The Mayor's operating budget provides for an increase of \$42,149,083, or 15.2 percent. Our recommended reductions, which total \$2,357,921, would still allow an increase of \$39,791,162 or 14.3 percent in the Department's operating budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS

1998-99

Department/Division: **AIR - AIRPORT COMMISSION**

ATTACHMENT

<u>CLASS</u>	<u>TITLE</u>	<u>NUMBER OF POSITIONS</u>	<u>NUMBER OF ANNUALIZED POSITIONS</u>	<u>MAX ANNUAL SALARY</u>	<u>TOTAL SALARIES</u>
PROG: ADMINISTRATION, BUSINESS (BGF)					
FUND: SFIA OPERATING NON PROJECT CONTROLLED FD					
AB47	Special Assistant XIX	1.00	1.00	\$ 113,117	\$ 113,117
AB48	Special Assistant XX	1.00	1.00	121,678	121,678
AB49	Special Assistant XXI	1.00	1.00	130,970	130,970
AB50	Special Assistant XXII	1.00	1.00	140,862	140,862
1204	Senior Personnel Clerk	1.50	2.00	43,691	87,382
1220	Payroll Clerk	0.25	1.00	43,483	43,483
1231	Assoc. Affirmative Action	0.25	1.00	68,904	68,904
1237	Training Coordinator	0.50	1.00	65,146	65,146
1241	Personnel Analyst	1.50	2.00	52,800	105,600
1365	Special Assistant VI	0.75	1.00	44,109	44,109
1374	Special Assistant XV	0.50	1.00	84,407	84,407
1377	Special Assistant XVIII	0.75	1.00	105,131	105,131
1426	Senior Clerk Typist	0.75	3.00	38,654	115,962
1444	Secretary I	1.50	2.00	36,827	73,654
1446	Secretary II	2.25	5.00	42,751	213,755
1452	Executive Secretary	0.75	1.00	49,460	49,460
1660	Manager, Budget & Performance	0.25	1.00	78,770	78,770
1842	Management Assistant	1.00	1.00	50,921	50,921
1844	Senior Management Asst.	1.25	3.00	58,360	175,080
5266	Architectural Associate	0.75	1.00	66,920	66,920
9206	Airport Property Specialist	1.25	2.00	61,596	123,192
9255	Airport Economic Planner	0.75	1.00	77,856	77,856
9270	Deputy Director, Business	0.75	1.00	117,450	117,450
	SUBTOTAL	21.25	35.00	\$1,693,863	\$2,253,809
PROG: SFIA OPERATING ANNUAL PROJECTS					
PACA04 Exhibitions, Museums & Cultural Exchange					
3541	Curator I	2.25	3.00	\$34,687	\$104,061
	SUBTOTAL	2.25	3.00	\$34,687	\$104,061
PACA08 Legal Service					
1458	Legal Secretary I	0.25	1.00	\$40,847	\$ 40,847
	SUBTOTAL	0.25	1.00	\$40,847	\$40,847
PACA19 Aviation Museum					
3502	Museum Exhibit Packer	0.50	1.00	\$36,664	\$ 36,664
3522	Senior Museum Preparator	0.75	1.00	39,985	39,985
3544	Curator III	0.50	1.00	50,530	50,530
3546	Curator IV	1.50	2.00	65,955	131,910
	SUBTOTAL	3.25	5.00	\$193,134	\$259,089

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: AIR - AIRPORT COMMISSION

<u>CLASS</u>	<u>TITLE</u>	<u>NUMBER OF POSITIONS</u>	<u>NUMBER OF ANNUALIZED POSITIONS</u>	<u>MAX ANNUAL SALARY</u>	<u>TOTAL SALARIES</u>
PACA21 Children's Museum					
3520	Museum Preparator	<u>0.75</u>	<u>1.00</u>	<u>\$36,644</u>	<u>\$36,644</u>
	SUBTOTAL	0.75	1.00	\$36,644	\$36,644
PACA37 Administration					
1369	Special Assistant X	2.50	4.00	\$59,221	\$236,884
1371	Special Assistant XII	0.25	1.00	68,564	68,564
1374	Special Assistant XV	0.75	1.00	84,407	84,407
1426	Senior Clerk Typist	0.50	1.00	38,654	38,654
1446	Secretary II	0.25	1.00	42,751	42,751
1823	Senior Administrative	<u>0.25</u>	<u>1.00</u>	<u>62,823</u>	<u>62,823</u>
	SUBTOTAL	4.50	9.00	\$356,420	\$534,083
PACA40 Bureau of Employment					
1424	Clerk Typist	0.75	1.00	\$35,287	\$ 35,287
1842	Management Assistant	1.50	3.00	50,921	152,763
9910	Public Service Trainee	<u>3.75</u>	<u>6.00</u>		<u>94,300</u>
	SUBTOTAL	6.00	10.00	\$86,208	\$282,350
PACA41 International Aviation Development					
1450	Executive Secretary	0.75	1.00	\$46,510	\$46,510
1824	Principal Administrative	0.75	1.00	73,419	73,419
9256	Airport Asst Dep Director	<u>0.75</u>	<u>1.00</u>	<u>90,802</u>	<u>90,802</u>
	SUBTOTAL	2.25	3.00	\$210,731	\$210,731
	TOTAL ADMIN (BGF)	40.50	67.00	\$2,652,534	\$3,721,614

**PROG: SAFETY & SECURITY
(BGG)**

1373	Special Assistant XI	0.75	1.00	\$78,431	\$78,431
1374	Special Assistant XV	0.25	1.00	69,426	69,426
1406	Senior Clerk	1.00	2.00	35,627	71,254
1426	Senior Clerk Typist	0.25	1.00	38,654	38,654
1446	Secretary II	0.75	2.00	42,752	85,504
1450	Executive Secretary	0.25	1.00	46,510	46,510
1706	Telephone Operator	4.50	6.00	34,113	204,678
1842	Management Assistant	0.25	1.00	50,921	50,921
1844	Senior Management Assistant	0.75	1.00	58,360	58,360
7367	Radio Technician	0.50	2.00	71,305	142,610
7381	Automotive Mechanic	3.00	4.00	48,911	195,644
9212	Airfield Safety Officer	0.50	2.00	54,001	108,002
9222	Airport Operations	1.75	3.00	70,470	211,410
9256	Airport Asst. Dep. Dir.	0.75	1.00	90,802	90,802
	TOTAL SAFETY BGF	15.25	28.00	\$790,283	\$1,452,206

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS

1998-99

Department/Division: **AIR - AIRPORT COMMISSION**

<u>CLASS</u>	<u>TITLE</u>	<u>NUMBER OF POSITIONS</u>	<u>NUMBER OF ANNUALIZED POSITIONS</u>	<u>MAX ANNUAL SALARY</u>	<u>TOTAL SALARIES</u>
PROG: FACILITIES, MAINTENANCE & CONSTRUCTION					
(BGH)					
SFIA-Operating Non Proj Controlled FD					
1365	Special Assistant VI	0.75	1.00	\$ 44,109	\$ 44,109
1369	Special Assistant X	0.25	1.00	59,221	59,221
1374	Special Assistant XV	0.50	2.00	84,407	168,814
1426	Senior Clerk typist	0.25	1.00	38,654	38,654
1444	Secretary I	0.25	1.00	36,827	36,827
1446	Secretary II	0.25	1.00	42,752	42,752
1450	Executive Secretary	0.25	1.00	46,510	46,510
1929	Parts Storekeeper	0.25	1.00	42,152	42,152
1934	Storekeeper	0.25	1.00	37,584	37,584
2708	Custodian	27.5	90.00	35,470	3,192,300
2716	Custodial Assistant	1.00	2.00	39,020	78,040
2719	Janitorial Services	0.25	1.00	46,745	46,745
3417	Gardener	1.00	4.00	40,664	162,656
3422	Park Section Supervisor	0.25	1.00	49,329	49,329
5210	Senior Civil Engineer	0.50	2.00	89,680	179,360
5236	Assistant Electrical	0.25	1.00	56,402	56,402
5303	Supervisor, Traffic	0.25	1.00	60,395	60,395
5362	Civil Engineering Asst	0.25	1.00	45,310	45,310
6235	Heat and Ventilation	0.75	1.00	67,390	67,390
6242	Plumbing Inspector	0.75	1.00	67,390	67,390
6248	Electrical Inspector	0.75	1.00	67,390	67,390
6331	Bldg Inspector	0.25	1.00	70,079	70,079
6333	Senior Bldg Inspector	0.25	1.00	77,256	77,256
7205	Chief Stationary Engineer	0.75	3.00	60,604	121,208
7213	Plumber Supervisor I	1.50	2.00	70,470	140,940
7219	Maintenance Estimator	0.25	1.00	48,024	48,024
7226	Carpenter Supervisor	0.75	1.00	67,103	67,103
7236	Locksmith Supervisor	0.75	1.00	59,951	59,951
7238	Electrician Supervisor	0.25	1.00	65,146	65,146
7242	Painter Supervisor I	0.25	1.00	55,985	55,985
7263	Maintenance Manager	0.25	1.00	74,698	74,698
7272	Carpenter Supervisor	0.25	1.00	72,140	72,140
7278	Painter Supervisor I	0.25	1.00	62,040	62,040
7306	Automotive Body &	0.25	1.00	49,694	49,694
7313	Automotive Machinist	0.50	2.00	49,694	99,388
7315	Automotive Machinist	0.25	1.00	61,100	61,100
7318	Electronic Maintenance	1.75	4.00	67,103	268,412
7333	Apprentice Stationary	1.50	6.00	45,779	274,674
7334	Stationary Engineer	3.75	15.00	48,181	722,715

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **AIR - AIRPORT COMMISSION**

<u>CLASS</u>	<u>TITLE</u>	<u>NUMBER OF POSITIONS</u>	<u>NUMBER OF ANNUALIZED POSITIONS</u>	<u>MAX ANNUAL SALARY</u>	<u>TOTAL SALARIES</u>
7335	Senior Stationary Engineer	0.50	2.00	\$54,445	\$108,890
7344	Carpenter	3.00	4.00	54,392	217,568
7345	Electrician	1.50	6.00	57,655	345,930
7346	Painter	5.00	10.00	49,329	493,290
7347	Plumber	4.00	4.00	62,666	250,664
7348	Steamfitter	2.00	2.00	62,666	125,332
7349	Steamfitter Asst	2.00	2.00	69,087	138,174
7360	Pipe Welder	0.75	1.00	62,666	62,666
7372	Stationary Engineer	0.25	1.00	53,114	53,114
7376	Sheet Metal Worker	6.00	6.00	62,953	377,718
7381	Automotive Mechanic	0.25	1.00	48,911	48,911
7392	Window Cleaner	0.75	3.00	47,894	143,682
7410	Automotive Service W	0.25	1.00	39,411	39,411
7510	Lighting Fixture Maintenance	0.75	3.00	31,999	95,997
9240	Airport Electrician	2.00	5.00	63,554	317,770
9241	Airport Electrician	0.25	1.00	66,738	66,738
9345	Sheet Metal Supervisor	<u>1.00</u>	<u>1.00</u>	<u>69,426</u>	<u>69,426</u>
	SUBTOTAL	<u>80.50</u>	<u>213.00</u>	<u>\$ 3,159,354</u>	<u>\$ 9,935,164</u>
PACA16 Geographic Information System					
1051	Business Analyst - Asst	<u>0.25</u>	<u>1.00</u>	<u>\$49,694</u>	<u>\$49,694</u>
	SUBTOTAL	<u>0.25</u>	<u>1.00</u>	<u>\$49,694</u>	<u>\$49,694</u>
	TOTAL FACILITIES BGF	80.75	214.00	\$ 3,209,048	\$ 9,984,858
	TOTAL AIRPORT	136.50	308.00	\$ 7,537,121	\$ 16,847,946

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **AIR/Airport**

Page No.	Object	Account Title	Position/ Equipment Number	Number From To	Amount From	To	Savings
Administration, Business (BGF)							
899	001	Permanent Salaries - Misc.			\$9,321,994	\$8,670,067	*
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.					
956	001	Special Assistant XIX	AB47N	0.25 0	113,117	0	\$113,117
956	001	Special Assistant XX	AB48N	0.25 0	121,678	0	121,678
956	001	Special Assistant XXI	AB49N	1 0	130,970	0	130,970
956	001	Special Assistant XXII	AB50N	1 0	140,862	0	140,862
957	001	Special Assistant XVIII	1377N	0.75 0	78,848	0	78,848

To delete five new positions, at annual salaries of up to \$140,862, not sufficiently justified. The above five classifications are a part of the Director's requested upper management reorganization plan, which includes a total of five Special Assistants. The total annual cost of the five new positions at the top step is \$611,758 in salaries and \$146,821 in Mandatory Fringe Benefits, for a total annual cost of \$758,579. The Department currently has seven Deputy Director positions authorized in its budget, each with a salary of \$117,450 at the top step, plus benefits of \$28,188, for a total annual cost of \$1,019,466, at the top step. The Human Resources Director has provided the Budget Analyst with a letter stating that "Recent recruitment efforts for several critical positions have graphically demonstrated the need for increased salary incentives." However, this request is for five more high level positions and not just for establishing higher level salaries. We acknowledge that with implementation of the Master Plan, the Airport will require additional high level operating positions. However, these requested positions are not for implementing the Master Plan. The Mayor's FY 1998-99 recommended budget includes an additional 308 new positions (resulting in 136.5 FTEs), including 225 new positions for the new International Terminal. The Budget Analyst has recommended approval of 299 of the 308 requested new positions.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **AIR/Airport**

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
958	001	Secretary II To delete one of five new Secretary II positions not sufficiently justified.	1446N	2.25	2.00	\$98,597	\$78,878	\$19,719
960	001	Senior Management Assistant To delete one of three new position not sufficiently justified. There are presently four Senior Management Assistant positions in this Program. In addition, for FY 1998-99 a new Bond Fund position has been approved bringing the total to five. A requested substitution of one Senior Management position for a different position reduces the staff level to four positions for FY 1998-99.	1844N	1.25	0.5	74,774	28,041	46,733
899	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.				2,844,155	2,621,905	222,250
899	023	Employee Field Expense Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.				11,503	10,503	1,000

**RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS**

1998-99

Department: **AIR/Airport**

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
899	027	Professional and Specialized Services Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.				\$2,227,400	\$1,928,598	\$298,802
899	028	Maintenance Services - Buildings and Structures Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.				475,280	375,280	100,000

Project PAC AO7 Personnel Services (BGF)

902		Reduction Not Detailed The recommended reduction is based on prior expenditures and increased needs, including the impact of the new International Terminal, where appropriate.				(396,056)	(696,056)	300,000
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Project PACA15 Governmental Affairs (BGF)

905	089	Reduction Not Detailed The recommended reduction is based on prior expenditures and increased needs, including the impact of the new International Terminal, where appropriate.				0	(50,000)	50,000
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RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **AIR/Airport**

Page No.	Object	Account Title	Position/ Equipment Number	Number From	To	Amount From	To	Savings
<u>Project PACA23 Airport Business Outreach (BGF)</u>								
07		Reduction Not Detailed				0	(\$50,000)	\$50,000
		The recommended reduction is based on prior expenditures and increased needs, including the impact of the new International Terminal, where appropriate.						
<u>Project PACA37 Administration (BGF)</u>								
08		Reduction Not Detailed				0	(300,000)	300,000
		The recommended reduction is based on prior expenditures and increased needs, including the impact of the new International Terminal, where appropriate.						
<u>Administration PACA37 (BGF)</u>								
07	001	Permanent Salaries - Misc.				\$776,993	713,387	*
		*The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.						
968	001	Special Assistant XV	1374N	0.75	0	63,606	0	63,606
		To delete a new position not sufficiently justified. There are presently two Special Assistant XV positions in this Program.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: AIR/Airport

Page No.	Object	Account Title	Position/ Equipment Number	Number From To	Amount From	To	Savings
908	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.			\$208,759	\$193,494	\$15,265
<u>Safety and Security (BGG)</u>							
910	025	Entertainment & Promotion Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.			7,000	4,311	2,689
910	035	Other Current Expenses Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.			717,280	667,280	50,000
<u>Facilities, Maintenance and Construction (BGH)</u>							
917	001	Permanent Salaries - Misc. *The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.			30,931,570	30,889,366	*

**RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99**

Department: AIR/Airport

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
976	001	Special Assistant XV To delete one of two new positions not sufficiently justified. There are presently 11 Special Assistant positions in this Program. For FY 1998-99 we recommend the approval of one additional Special Assistant VI position, bringing the total number of Special Assistant positions in the Program to 12.	1374N	0.5	0.25	\$42,204	0	\$42,204
917	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.				7,943,103	\$7,932,925	10,178
917	029	Maintenance Services - Equipment Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.				3,100,500	3,000,500	100,000
917	042	Building & Construction Supplies Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.				2,435,595	2,335,595	100,000
Total Recommended Reductions								\$ 2,357,921

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: PRT PORT

**Budget Volume: III
Budget Page: 1202**

	<u>FY 1997-98 Budget</u>	<u>Mayor's FY 1998-99 Budget</u>	<u>Change</u>	<u>Percent Change</u>
Mayor's Revenue Amounts:				
General Fund Unallocated				- %
Other Department Revenue	\$36,857,712	\$41,554,485	\$4,696,773	12.7
Recoveries		216,500	216,500	-
Supplemental Appropriations				-
Total Sources	\$36,857,712	\$41,770,985	\$4,913,273	13.3 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$36,500,712	\$37,837,831	\$1,337,119	3.7 %
Fac. Maint. / Capital Imp.	357,000	3,933,154	3,576,154	1001.7
Subtotal - Mayor's Budget	\$36,857,712	\$41,770,985	\$4,913,273	13.3 %
Supplemental Appropriations				-
Total Uses	\$36,857,712	\$41,770,985	\$4,913,273	13.3 %
Mayor's Listed Positions:				
Permanent	211.75	217.75	6.00	2.8 %
Temporary	6.48	6.66	0.18	2.8
Attrition Savings	(6.32)	(3.89)	2.43	38.4
Subtotal, Mayor's Budget	211.91	220.52	8.61	4.1 %
Adjustments (FTE):				
Overtime	3.02	3.41	0.39	12.9 %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	214.93	223.93	9.00	4.2 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: PRT – Port Commission

Financial Data:

The Port's proposed \$37,837,831 operating budget for FY 1998-99 is \$1,337,119 or 3.7 percent more than the original FY 1997-98 budget of \$36,500,712. The net increase from the revised FY 1997-98 budget to the proposed FY 1998-99 budget is \$650,956 or 1.8 percent.

Summary of Budgeted Activities:

<u>Activity</u>	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year 1998-99</u>
	<u>Original</u>	<u>Revised</u>	
Maritime	\$980,902	\$980,902	\$1,019,875
Finance and Administration	16,746,502	16,736,502	17,723,210
Planning and Development	1,287,544	1,287,544	1,257,730
Facilities and Operations	12,874,836	18,020,999	16,835,581
Real Estate and Asset Management	<u>4,967,928</u>	<u>4,967,928</u>	<u>4,934,589</u>
Total Budget	\$36,857,712	\$41,993,875	\$41,770,985
Less Facility Maint./Capital Improvements	<u>(357,000)</u>	<u>(4,807,000)</u>	<u>(3,933,154)</u>
Total Operating Expenditures	\$36,500,712	\$37,186,875	\$37,837,831

The Port Commission's operating budget of \$37,837,831 for FY 1998-99 includes \$1,221,432 to reimburse the Fire Department for the operation of the fire boat and a \$251,500 transfer to the Department of Parking and Traffic for services provided on Port's property.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **PRT – Port Commission**

Departmental Revenue and Fee Changes:

Budgeted revenues increase by a total of \$4,913,273 as follows:

	<u>FY 1997-98</u>	<u>FY 1997-98</u>	<u>Increase (Decrease)</u>
Maritime Services			
Cargo	\$1,536,000	\$1,883,000	\$347,000
Ship Repair	987,000	1,200,000	213,000
Harbor Services	700,000	811,000	111,000
Cruise Services	725,700	350,700	(375,000)
Other Marine Services	549,000	727,000	178,000
Subtotal	\$4,497,700	\$4,971,700	\$474,000
Real Estate & Asset Management			
Commercial Rentals	\$14,385,000	\$15,484,000	\$1,099,000
Traffic Fines - Parking	1,200,000	1,200,000	0
Parking Meter Collection	965,000	850,000	(115,000)
Rental Parking	1,779,000	1,687,000	(92,000)
Parking Stalls	680,000	475,000	(205,000)
Percentage Rentals	9,392,000	10,232,000	840,000
Special Event	75,000	95,000	20,000
Commercial Power Service	719,000	0	(719,000)
Miscellaneous Receipts	50,000	50,000	0
Filming	150,000	175,000	25,000
Fishing Services	1,251,600	1,424,000	172,400
Other Marine Services	0	0	0
Subtotal	\$30,646,600	\$31,672,000	\$1,025,400
Facilities & Operations	\$170,000	\$371,500	\$201,500
Finance and Administration			
Interest Earned	\$1,484,412	\$1,960,000	\$475,588
Fund Balance	0	2,736,785	2,736,785
Other Revenues	59,000	59,000	0
Subtotal	\$1,543,412	\$4,755,785	\$3,212,373
Total	\$36,857,712	\$41,770,985	\$4,913,273

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **PRT – Port Commission**

Increased revenues from percentage rentals and commercial rentals are due largely to rent increases. Parking meter and parking stall revenues are decreasing because of the construction activity on the Mid-Embarcadero Freeway Project.

Department Personnel Changes:

The budgeted number of permanent positions increases by a total of 6.0 full-time equivalent (FTE) position, from 211.75 FTEs in FY 1997-98 to 217.75 FTEs in FY 1998-99, due to the addition of six new full-time, permanent positions. The number of full-time equivalent positions, which takes into account salary savings, temporary positions, and overtime increases by 9.00 FTEs, from 214.93 FTE positions in FY 1997-98 to 223.93 FTEs in FY 1998-99, due primarily to the six new permanent positions and an increase of 2.43 FTEs for reduced Attrition Savings. The Budget Analyst is recommending approval of five of the requested six new positions on the basis of the positions being (a) revenue generating or avoiding costs, and (b) a lower cost Public Service Aide position to provide an entry level employment opportunity. The Port's proposed new positions are as follows:

New Positions

<u>Name</u>	<u>Classification Name</u>	<u>No. of Positions</u>	<u>Salary At Top Step</u>	<u>Total Salaries</u>
Special Assistant XVI	1375	3	\$90,801	\$272,403
Development Project Coord.	9378	1	65,145	65,145
Public Service Aide	9920	1	24,455	24,455
Manager, Leasing & Tenant:	9396	<u>1</u>	79,213	<u>79,213</u>
Total		6		\$441,216

The proposed position changes would result in the following personnel allocations, by program, for the Port of San Francisco.

<u>Program</u>	<u>FY 1997-98 Position Count</u>	<u>FY 1998-99 Position Count</u>	<u>Change</u>
Maritime Services	8.73	8.81	0.08
Planning & Development	12.13	13.43	1.30
Real Estate and Asset Management	22.13	22.65	0.52
Facilities & Operations	122.03	126.43	4.40
Finance and Administration	<u>46.89</u>	<u>49.20</u>	<u>2.31</u>
Total	211.91	220.52	8.61

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **PRT – Port Commission**

<u>Department Expenditures:</u>	FY 1997-98	\$36,500,712	
	FY 1998-99:	\$37,837,831	Increase of: \$1,337,119

The major changes in the Department's budget are as follows:

Permanent Salaries increase by \$1,041,772 due primarily to six new positions, a decrease in Attrition Savings, and salary standardization. Corresponding Mandatory Fringe Benefits increase by \$253,838.

City Wide Overhead costs decrease by 310,390, from \$683,420 to \$373,030, based on revised estimates from the Controller's Office.

Taxes, Licenses, and Permits increase by \$291,032 from \$90,115 to \$381,147, due to possessory interest taxes on the Mission Bay Wetlands property and for property taxes on the Western Pacific Site property, which is located in the Southern Waterfront.

Debt Service increases by \$357,775 from \$8,711,841 to \$9,069,616, due to the need to repay a \$12 million debt incurred in CY 1997 for the purpose of funding the acquisition of the CALTRANS property for the new ballpark in China Basin and relocation of Port tenants and the Port Maintenance Department.

Comments:

1. The Port reports that as of May 31, 1998, \$5,361,000 has been allocated to the Port's Revenue Bond Reserve Fund. Additionally the Port has unappropriated revenue of \$11,076,389.

2. The Mayor's budget provides for an increase of \$1,337,119. Our recommended reductions, which total \$287,936 would still allow an increase of \$1,049,183 or 2.9% in the Department's budget.

**RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99**

Department: PRT - Port Commission

Page			Position/ Equipment	Number		Amount		
No.	Object	Account Title	Number	From	To	From	To	Savings
<u>Maritime (BKD)</u>								
1212	001	Permanent Salaries - Misc.				\$540,925	\$525,925	*
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.						
1233	001	Attrition Savings	9993M	(0.30)	(0.51)	(15,760)	(30,760)	\$15,000
		To increase Attrition Savings as agreed to by the Department.						
1212	013	Mandatory Fringe Benefits				121,719	118,119	3,600
		Corresponds to reduction in salaries.						

Finance & Administration (BKO)

1214	001	Permanent Salaries - Misc				2,921,080	2,766,152	*
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **PRT - Port Commission**

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
1234	001	Special Assistant XVI To delete a new position not sufficiently justified. We are recommending the approval of five of the requested new positions including two Special Assistant XVI positions and one Public Service Aide and one Manager, Leasing & Tenant.	1375N	0.75	0	\$68,101	0	\$68,101
1235	001	Attrition Savings - Misc. To increase Attrition Savings to FY 1997-98 level.	9993M	1.02	0	61,827	0	61,827
1235	001	Attrition Savings - Misc. To increase Attrition Savings as agreed to by the Department.	9993M	(1.38)	(1.79)	(83,715)	(\$108,715)	25,000
1214	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.				1,218,377	1,181,195	37,182
1214	040	Materials and Supplies Reduce to 1997-98 budget level adjusted by a cost of living factor for 1998-99.				109,008	99,008	10,000

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: PRT - Port Commission

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
1214	060	Equipment Purchase * The recommended reduction in equipment is the total of the following specific recommendations.				\$430,300	\$420,000	*
1243	060	Equipment Not Detailed To reduce equipment purchases to the minimum necessary for operations.	9999Z			0	(10,300)	\$10,300

Planning & Development (BKW)

1217	027	Professional & Specialized Services Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.				33,800	28,800	5,000
1217	040	Materials and Supplies Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.				9,800	7,300	2,500

Facilities & Operations (BKY)

1219	040	Material & Supplies Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.				1,107,897	1,087,897	20,000
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RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: PRT - Port Commission

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
1219	035	Other Current Expenses Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.					\$65,926 \$59,900	\$6,026
<u>Real Estate & Asset Management (BKZ)</u>								
1231	021	Travel Reduce to 1997-98 budget level adjusted by a cost of living factor for 1998-99.					12,400 8,000	4,400
231	025	Entertainment & Promotion Reduce to 1997-98 budget level adjusted by a cost of living factor for 1998-99.					7,500 4,500	3,000

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: PRT - Port Commission

Page No.	Object	Account Title	Position/ Equipment Number		Amount		Savings
			Number	From To	From	To	
1231	027	Professional and Specialized Services To delete janitorial services in the amount of \$570,400 which should be budgeted in Object 028 and to reduce appraisal services by \$16,010 from \$41,000 to \$25,000 based on past usage of as-needed appraisal services.			\$918,600	\$332,200	\$586,400
1231	028	Maintenance Services - Buildings & Structures To correctly budget for Janitorial Services which were previously budgeted in Professional and Specialized Services.			0	570,400	(570,400)
Total Recommended Reductions							\$287,900

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: PTC PARKING TRAFFIC COMMISSION

**Budget Volume: III
Budget Page: 1247**

	<u>FY 1997-98 Budget</u>	<u>Mayor's FY 1998-99 Budget</u>	<u>Change</u>	<u>Percent Change</u>
Mayor's Revenue Amounts:				
General Fund Unallocated	\$20,191,062	\$31,220,515	\$11,029,453	54.6 %
Other Department Revenue	15,318,555	17,091,608	1,773,053	11.6
Recoveries	182,500	272,500	90,000	49.3
Dept. General Fund Revenue	6,089,205	6,155,224	66,019	1.1
Supplemental Appropriations	2,395,785		(2,395,785)	-100.0
Total Sources	\$44,177,107	\$54,739,847	\$10,562,740	23.9 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$41,393,414	\$54,589,847	\$13,196,433	31.9 %
Fac. Maint. / Capital Imp.	387,908	150,000	(237,908)	-61.3
Subtotal - Mayor's Budget	\$41,781,322	\$54,739,847	\$12,958,525	31.0 %
Supplemental Appropriations	2,395,785		(2,395,785)	-100.0
Total Uses	\$44,177,107	\$54,739,847	\$10,562,740	23.9 %
Mayor's Listed Positions:				
Permanent	560.50	622.25	61.75	11.0 %
Temporary	16.69	17.38	0.69	4.1
Attrition Savings	(47.31)	(31.80)	15.51	32.8
Project Positions	(54.00)	(56.75)	(2.75)	-5.1
Subtotal, Mayor's Budget	475.88	551.08	75.20	15.8 %
Adjustments (FTE):				
Overtime	6.86	9.22	2.36	34.4 %
Supplemental Appropriations	48.00		(48.00)	-100.0
Other Adjustments				-
Total FTE	530.74	560.30	29.56	5.6 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **PTC - Parking and Traffic Commission**

Financial Data:

The Parking and Traffic Commission's proposed \$54,589,847 operating budget for FY 1998-99 is \$13,196,433 or 31.9 percent greater than the original FY 1997-98 operating budget of \$41,393,414. The net increase from the revised FY 1997-98 operating budget to the standardized budget is \$10,873,383 or 24.9 percent.

Summary of Budgeted Activities:

<u>Program</u>	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year 1998-99</u>
	<u>Original</u>	<u>Revised</u>	
<u>General Fund</u>			
Enforcement	\$20,762,630	\$22,598,819	\$23,140,743
Residential Parking	576,467	575,829	581,962
Parking Citation	<u>4,178,007</u>	<u>4,178,645</u>	<u>9,925,622</u>
Total - General Fund	\$25,517,104	\$27,353,293	\$33,648,327
<u>Off-Street Parking Fund</u>			
Administration	\$2,188,704	\$2,411,592	\$2,534,190
Parking Authority	<u>7,059,907</u>	<u>7,259,840</u>	<u>9,844,306</u>
Total - Off-Street Parking Fund	\$9,248,611	\$9,671,432	\$12,378,496
<u>Road Fund</u>			
Traffic Engineering & Operation	\$6,627,699	\$6,691,739	\$8,563,024
Subtotal - Operating Budget	<u>\$41,393,414</u>	<u>\$43,716,464</u>	<u>\$54,589,847</u>
Fac. Maintenance/Cap. Imp.	<u>387,908</u>	<u>123,000</u>	<u>150,000</u>
Total - Mayor's Budget	\$41,781,322	\$43,839,464	\$54,739,847

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **PTC - Parking and Traffic Commission**

Department Revenues:

- *Parking Fines* - The Controller has certified a total of \$58,234,242 in parking fine revenues, which is used as a source of funds for San Francisco Municipal Railway (MUNI). This is an increase of \$9,634,242, or 19.8 percent, from FY 1997-98 budgeted parking fine revenues. This budgeted increase is based on the parking fine revenue forecast for FY 1997-98 and the additional revenue that is anticipated as a result of adding 48 Parking Control Officer.
- *Meter Revenues* - The Department is projecting a 7.2 percent decrease, or \$998,000, decreasing revenues from \$13,791,067 in FY 1997-98 to \$12,793,067 in FY 1998-99, for parking meter revenues. The decreased amount is based on current year actual revenues.
- *Garage Revenues* - Budgeted revenues to the General Fund, the Recreation and Park Department and the Parking Revenue Fund from operation of City-owned garages show a combined increase of \$1,693,609, or approximately 10.1 percent to \$18,491,681 from the FY 1997-98 level of \$16,798,072. There are no proposed rate increases for FY 1998-99.
- *Residential Permit Parking* - Budgeted revenues from residential parking permits have increased by approximately \$547,370, or 43.6 percent, from \$1,255,390 for FY 1997-98 to \$1,802,760 for FY 1998-99 due to the proposed rate increase. However, the Board of Supervisors has not yet approved the rate increase. If the Board of Supervisors approves the rate increase, anticipated revenues generated by Residential Permit Parking would total the proposed amount of \$1,802,760 for FY 1998-99.

The revenues in the FY 1998-99 budget also include a \$2,003,434 operating transfer from the General Fund to the Off-Street Parking Fund. Corresponding expenditures are included in the FY 1998-99 proposed budget in order to begin the feasibility, architectural and engineering work for the parking facility at the Pacific Stock Exchange site (\$1.5 million) and various other sites throughout the City (\$0.5 million). According to the Department, these revenues would be generated from bond proceeds.

Department Personnel Changes:

Of the 29.56 net additional FTEs, new positions account for an increase of 6.75 FTEs (7.0 FTEs annualized) and the remaining increase (22.81 FTEs) is due to reduced attrition savings in order to fund full staffing for Parking Control Officers (PCOs), including the 48 new PCOs added by supplemental appropriation during FY 1997-98, and increased overtime spending. The Budget Analyst is recommending approval of six (the equivalent of 5.50 FTEs in FY 1997-98 and 6.0 FTEs annualized) of the of the requested 6.75 new FTEs (7.0 FTE annualized).

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **PTC - Parking and Traffic Commission**

- **Enforcement (General Fund)**

The proposed FY 1998-99 budget for the Enforcement Division, totaling \$23,140,743, reflects the annualized costs of 48 Parking Control Officer positions that were approved by the Board of Supervisors in a supplemental appropriation in April of 1997. The annual cost of funding these 48 positions in the FY 1998-99 proposed budget is approximately \$2,282,818. The proposed budget also includes a net increase of \$34,061 in temporary salaries to fund half of the salary and fringe benefit costs for 25 additional positions in the Adult School Crossing Guard Program. The San Francisco Unified School District has agreed to provide the other half of the funding for these positions. The addition of 25 Adult Crossing Guards would allow the City to assist children in crossing the street at approximately 132 intersections.

The Enforcement Division's FY 1997-98 overtime budget proposed increase of \$65,000 would be used to fund the cost of Parking Control Officers who perform traffic control functions at special events, football and baseball games and on Lombard Street during high tourism months. This increase is partially offset by reductions in temporary salary costs generated by eliminating funding for Intermittent Parking Control Officers who were hired on an as needed basis to perform the traffic control functions, noted above, at special events.

- **Citation Division (General Fund)**

The FY 1998-99 proposed budget includes three position reclassifications that have been approved by the Department of Human Resources and the transfer of a Senior Clerk Typist position from Traffic Engineering Division to the Parking Citation Division.

- **Administration (Parking Revenue Fund)**

The FY 1998-99 proposed budget includes the addition of one new 1023, Administrator III position (0.75 FTE Information Specialist) at a cost of \$49,384 in salary and fringe benefits, and the addition of one 1454 Secretary III (1.0 FTE) at a cost of \$55,524 in salary and fringe benefits. Also included, in the proposed budget, is the annualized cost of one Special Assistant XIII, the transfer of one Special Assistant XI from the Citation Division, and two reclassifications that have been approved by the Department of Human Resources. The Budget Analyst recommends approval of the 1023 Information Services Administrator III position on a limited tenure basis, as well as approval of the 1454 Secretary III position.

- **Traffic Engineering and Operations (Road Fund)**

The FY 1998-99 budget reflects the addition of one project funded 1823 Senior Administrative Analyst (0.75 FTE) at a cost of \$48,166 in salary and fringe benefits, and the addition of two (1.75 FTEs) in the 5228 Associate Transportation Engineers classification at a cost of \$101,011 in salary and fringe benefits. Reducing the number of Student Engineering Interns by four and using the savings to create the two new Associate Transportation Engineer positions would provide funding for the additional 1.75 FTEs. Also included is the addition of a 5277 Planner I Position for the

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **PTC - Parking and Traffic Commission**

special Bicycle and Pedestrian Safety Program. This position was supported by project funding during FY 1997-98. The Budget Analyst recommends disapproval of the transfer of the 5277 Planner I position from project funding to the General Fund. However, we recommend approval of the project funded 1823 Senior Administrative Analyst (0.75 FTE) and two Associate Transportation Engineers at 1.5 FTEs).

Department Expenditures:

Enforcement Division

The FY 1998-99 proposed budget for the Enforcement Division represents a net increase of \$2,378,113. Major expenses include \$210,505 (a net decrease of \$64,666 from FY 1997-98) for the lease purchase of equipment, and \$2,651,930 (an increase of \$122,223 over FY 1997-98) in Services of other Departments. The additional services are primarily related to increased work order requests from DTIS for the repair and maintenance of 212 radios, increased funding for Workers' Compensation reflecting the Enforcement Division's costs and increase work orders for Central Shops Maintenance due to the addition of vehicles that must be maintained. The majority of the increase in the Enforcement Division's proposed FY1998-99 budget is attributable to the annualized cost of the 43 Parking Control Officers (\$2,002,553) and the 5 Senior Parking Control Officers (\$280,265) as noted above.

Residential Permit Parking Program

The FY 1998-99 proposed budget for the Residential Permit Parking Program would increase by \$5,183. This is primarily attributable to the net affect of increases in salary standardization, totaling \$36,501 and a decrease in non-personnel services of \$31,318.

Parking Citation Division

Expenditures in the Citation Division reflect a net increase of \$5,669,831 primarily due to (a) the inclusion of \$6,523,500 by the Mayor's Office to provide funding for citation processing fees (\$4,570,875), vendor payments for delinquent citation fee collection (\$1,472,625), and costs for postage that are passed through to the Department (\$480,000). These costs are based on the responses to the Request for Proposals (RFP) issued by the Department in August of 1997 for a Parking Citation Processing and Collection System. The Budget Analyst recommends placing \$6,323,500 on reserve pending the completion of contract negotiations with the vendor selected for this project in order to analyze the complete fiscal impact of this contract.

Administration

The PTC Administration budget would increase by \$345,486, primarily due to increases in permanent salaries and fringe benefits (\$292,533) resulting from the position changes described above. Overhead would increase by \$17,450, based on the Controller's estimates. Services of other departments would increase by \$21,303 primarily to reflect actual FY 1996-97 and projected FY 1997-98 telephone expenditures and reproduction costs.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: PTC - Parking and Traffic Commission

Parking Authority

The Parking Authority's proposed budget reflects a net increase of \$1,124,233 as the result of (a) increased Intrafund Transfers Out of \$2,150,000, an increase of \$2,000,000 over the FY 1997-98 budget; and (b) various reductions in other expenditure categories such as materials and supplies, equipment purchase and equipment lease/purchase. The \$2,000,000 increase is a result of budgeting \$1.5 million to secure the bonds that will be sold to finance the parking facility to be constructed at the Pacific Stock Exchange site by establishing a reserve or some other financial mechanism to insure debt service payments, and \$500,000 to fund Architectural and Engineering work that must be begun and completed at various sites throughout the City prior to constructing the parking facilities. The Budget Analyst recommends placing the \$1.5 million to secure the bonds on reserve pending the completion of the finance plan for the proposed parking facility at the Pacific Stock Exchange site, and negotiations for the bond sale.

Traffic Engineering and Operations

The total proposed FY 1998-99 budget for this division would increase by \$1,935,325 primarily due to the position changes noted above and the inclusion of \$1,298,321 to support vendor related, and other expenditures pertaining to the Red Light Photo Enforcement Program. In addition, major expenditures include an increase of \$218,580 for services of the City Attorney's Office to \$298,140, or 275 percent, based on actual FY 1996-97 and projected FY 1997-98 expenditures. These funds, for City Attorney services, were transferred from Administration and budgeted in Traffic Engineering and Operations to accurately reflect the program requiring these expenditures for the services provided by the City Attorney's Office.

Comments:

1. In addition to the reductions totaling \$123,485, the Budget Analyst recommends placing \$7,823,500 on reserve. These reserves reflect \$1,500,000 included in the FY 1998-99 budget to secure the bonds that will be purchased to finance the construction the parking facility, to be constructed at the Pacific Stock Exchange site, and \$6,323,500 which is the estimated cost of implementing the City's new Parking Citation and Collection Program. Legislation pertaining to both of these items must be calendared by the Finance Committee and the Board of Supervisors. The final proposal should be reviewed by the Budget Analyst and the Finance Committee prior to the release of funds for these two projects.

2. The Mayor's budget provides for an increase of \$13,196,433. Our recommended reductions, which total \$123,485, would still allow an increase of \$13,072,948 or 31.6 percent in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: Parking and Traffic Commission

Page No.	Object	Account Title	Position/ Equipment			<u>Amount</u>		Savings
			Number	From	To	From	To	
<u>Departmental Administration (BKF)</u>								
163	001	Permanent Salaries -Misc.				\$1,306,477	\$1,306,477	*
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.						
179	001	Administrator III	1023N	0.75	0.00	40,090	0	\$40,090
	001	Administrator III	1023L	0.00	0.75	0	40,090	(40,090)

The Department has requested one additional Information Services Administrator III position which would give them a total of two such positions. These two Administrator III's would be responsible for maintaining the computer systems within the Department. The two Administrator III positions would support the Wide Area Network (WAN), individual workstations for employees and the new Integrated, Automated Citation and Collection system. Given the additional needs of the Department the Budget Analyst recommends approval of the Administrator III position on a limited tenure basis for a period of two years. During that two year period, the Department will have fully implemented the new Integrated, Automated Citation and Collection system and had approximately one year of operation. At the end of the two year period, the Department should re-evaluate its need for management information services support and substantiate its need to retain this position. Additionally, the Department should, to the extent possible, work with DTIS to determine what type of support, if any, will be provided by DTIS for the new systems at PTC.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: Parking and Traffic Commission

Page No.	Object	Account Title	Position/ Equipment Number	Number From	To	Amount From	To	Savings
1263	029	Maintenance Svcs. Equipment				\$3,000	\$2,000	\$1,000
		Reduce to 1997-98 budget level adjusted by a cost of living factor for 1998-99.						

Traffic Engineering and Operations (BKG)

1265	001	Permanent Salaries - Misc.				3,271,241	3,217,880	*
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.						
1281		Assistant Transportation Engineer	5228N	1.75	1.50	81,210	69,609	11,601
		To delete .25 FTE to accurately reflect the addition of two new Assistant Transportation Engineer positions at 0.75 FTEs each for FY 1998-99. The additional .25 FTE was budgeted in error.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: Parking and Traffic Commission

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
282		Planner I	5277N	1.00	0.00	\$41,760	0	\$41,760
		Reduction to return the Planner I position to project funding to be consistent with the FY 1997-98 funding for this position. This means that the project funds from the Department's special Pedestrian and Bicycle Safety Program will pay for this position instead of the General Fund.						
1265	013	Mandatory Fringe Benefits				804,374	\$791,363	13,011
		Corresponds to reduction in salaries.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS

1998-99

Department/Division: Parking and Traffic Commission

Page No.	Object	Account Title	Position/ Equipment Number	Number From	To	Amount From	To	Savings
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Parking (BKP)

1271	035	Other Current Expenses				\$2,000,000	\$2,000,000	*
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*Reserve \$1.5 million, that has been included in the FY 1998-99 proposed budget to secure the bonds that will be sold to finance the construction of the parking facility to be located at the Pacific Stock Exchange site, pending the completion of the finance plan for the construction of the parking facility, at the Pacific Stock Exchange site, and pending an analysis of the legislation which must be approved by the Finance Committee and the Board of Supervisors.

Residential Permit Parking (BKR)

1276	001	Permanent Salaries - Misc.				384,203	340,382	*
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* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: Parking and Traffic Commission

Page No.	Object	Account Title	Position/ Equipment Number	Number From	To	Amount From	To	Savings
1287	001	Secretary II To delete one Secretary II position to accurately reflect the number of positions requested by the Department in this job classification. This position was budgeted in error.	1446S	1.00	0.00	\$43,821	0	\$43,821
1276	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.				107,773	\$95,481	12,292

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: Parking and Traffic Commission

Page			Position/ Equipment	<u>Number</u>		<u>Amount</u>		
No.	Object	Account Title	Number	From	To	From	To	Savings

Parking Citation Division (BKS)

1277	027	Professional and Specialized Services				\$6,632,600	\$6,632,600	*
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*Reserve \$6,323,500 of the \$6,632,600 in funding for the Parking Citation and Collection Program, pending the final negotiation of a contract with the selected vendor, and pending an analysis of the complete fiscal impact of this contract which must be calendared for approval by the Finance Committee and the Board of Supervisors. Reserving \$6,323,500 will still provide funding in the amount of \$200,000 to meet the postage requirements of the current system for the planned six month implementation of the new system and an additional \$109,100 budgeted for other expenditures not related to the Parking Citation and Collection System.

Total Recommended Reductions

\$123,485

Total Recommended Reserves

\$7,823,500

BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY

Department: TIS TELECOMMUNICATIONS & INFORMATION SVCS

Budget Volume: III
Budget Page: 1398

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$1,341,289	\$5,162,630	\$3,821,341	284.9 %
Other Department Revenue	22,245,573	22,934,860	689,287	3.1
Recoveries	21,962,357	21,846,995	(115,362)	-0.5
Dept. General Fund Revenue				-
Supplemental Appropriations	576,993		(576,993)	-100.0
Total Sources	\$46,126,212	\$49,944,485	\$3,818,273	8.3 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$45,524,219	\$49,919,485	\$4,395,266	9.7 %
Fac. Maint. / Capital Imp.	25,000	25,000		-
Subtotal - Mayor's Budget	\$45,549,219	\$49,944,485	\$4,395,266	9.6 %
Supplemental Appropriations	576,993		(576,993)	-100.0
Total Uses	\$46,126,212	\$49,944,485	\$3,818,273	8.3 %
Mayor's Listed Positions:				
Permanent	306.35	300.85	(5.50)	-1.8 %
Temporary	2.44	2.44		-
Attrition Savings	(38.07)	(23.02)	15.05	39.5
Project Positions	(4.65)		4.65	100.0
Subtotal, Mayor's Budget	266.07	280.27	14.20	5.3 %
Adjustments (FTE):				
Overtime	2.99	2.58	(0.41)	-13.7 %
Supplemental Appropriations	7.00		(7.00)	-100.0
Other Adjustments		(2.97)	(2.97)	-
Total FTE	276.06	279.88	3.82	1.4 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **TIS — DEPARTMENT OF TELECOMMUNICATIONS AND INFORMATION SERVICES**

Financial Data:

The Department of Telecommunications and Information Services proposed operating budget of \$49,919,485 budget for FY 1998-99 is \$4,395,266 or 9.7 percent more than the original FY 1997-98 operating budget of \$45,524,219. The net increase from the revised FY 1997-98 operating budget of \$45,529,274 to the proposed FY 1998-99 operating budget is \$4,390,211 or 9.6 percent.

Summary of Budgeted Activities:

<u>Program</u>	<u>Program Code</u>	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year 1998-99</u>
		<u>Original</u>	<u>Revised</u>	
Network: Data, Radio, & Phone Infrastructure Operations and Maintenance	BAK	\$16,695,723	\$16,661,194	\$17,362,482
Citywide Radio System	BIH	5,141,220	5,141,220	5,669,541
Finance and Administration	BII	0	0	0
Applications Development	BIJ	2,586,600	2,621,129	5,766,779
911 Project	BIT	15,874,258	15,874,258	15,175,517
Policy, Planning & Compliance	BIX	300,000	300,000	0
Technical Services	BK4	1,268,773	1,273,828	1,523,270
Departmental Transfer	FAC	3,707,645	3,707,645	4,421,896
Adjustments		<u>(50,000)</u>	<u>(50,000)</u>	<u>0</u>
Total Operating Expenditures		\$45,524,219	\$45,529,274	\$49,919,485
Add Facilities Maintenance		<u>25,000</u>	<u>25,000</u>	<u>25,000</u>
Total Expenditures		\$45,549,219	\$45,554,274	\$49,944,485

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **TIS - DEPARTMENT OF TELECOMMUNICATIONS AND INFORMATION SERVICES**

Department Personnel Changes

The Department of Telecommunications and Information Services (DTIS) FY 1998-99 budget contains a net increase of 14.2 budgeted full-time-equivalent (FTE) positions. The increase of 14.2 budgeted FTEs is the result of (a) the addition of twelve new positions (totaling 9.0 FTEs) and (b) the net affect of changes in attrition savings, supplemental appropriations and transfers to the new Emergency Communications Department. The new positions are as follows:

Position Number	Position Classification	Mayor's Budget Request Number of Positions	Amount Budgeted	Annualized Number of Positions	Annualized Salaries at Top Step
<u>New Positions Requested</u>					
Network Data Radio and Telephones					
7275N	Cable Splicer Supervisor I	0.75	\$45,999	1.00	\$59,482
7308N	Cable Splicer	1.50	82,585	2.00	130,291
7432N	Electrical Line Helper	<u>2.25</u>	<u>94,914</u>	<u>3.00</u>	<u>149,475</u>
	Subtotal	4.50	\$223,498	6.00	\$339,248
Infrastructure, Operations and Maintenance					
1043N	Engineer - Senior	1.50	97,953	2.00	158,740
7273N	Communications Line Worker				
	Supervisor	0.75	45,999	1.00	72,532
7308N	Cable Splicer	0.75	41,292	1.00	65,146
7338N	Electrical Line Worker	0.75	36,566	1.00	57,655
7432N	Electrical Line Helper	<u>0.75</u>	<u>31,638</u>	<u>1.00</u>	<u>49,825</u>
	Subtotal	4.50	\$253,448	6.00	\$403,898
	Total New Positions	9.00	\$476,946	12.00	\$743,146
	*Other Positions Changes	5.20			
	Total	14.20	476,946	12.00	\$743,146

*The other position changes reflect reductions in temporary salaries, the transfer of positions from the Department of Telecommunications and Information Services, attrition savings and other adjustments, which result in an increase of 5.2 FTEs.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **TIS - DEPARTMENT OF TELECOMMUNICATIONS AND INFORMATION SERVICES**

The Department of Telecommunications and Information Services requests the 12 new positions (9.0 FTEs) shown above to provide staffing for existing work order services requested by various departments. Expenditures in 032 Utilities in the Network Data, Radio and Telephone Program were reduced to offset funding for these positions. The amount of the reduction in Utilities totals \$539,000 and covers requested new salary and fringe benefit costs. The Budget Analyst recommends disapproval of the 1043 Engineer positions (1.50 FTEs). However we are recommending approval of 7.5 of the 9.0 FTEs requested.

Other Department Expenditures:

The Department of Telecommunications and Information Services (DTIS) has completed the formation and reorganization of the Department, which was begun in FY 1996-97. In the process of reorganizing the Department, DTIS transferred 12 positions, or the equivalent of 11.91 FTEs to the new Emergency Communications Department to provide staffing for the 9-1-1 Emergency Communications and 800MHz Radio projects. Major changes within the department and in the proposed budget are described by division as follows:

Network Data, Radio, & Phone

The Network Data, Radio, & Phone division was created in FY 1996-97 to bring together previously separated groups working on data and voice technologies. The division is responsible for maintaining the Citywide area network and providing support to departments on local area network issues as well as primary telephone services. The proposed budget includes \$2,694,877 in permanent salaries and mandatory fringe benefits for 33.91 full-time equivalent positions. The increase from \$1,668,194 in FY 1997-98 to \$2,694,877 is attributable, primarily, to funding for six new positions (the equivalent of 4.5 FTEs in FY 1998-99) as detailed on the previous page, and, the impact of the Citywide reclassification of the Information Services positions.

Infrastructure Operations and Maintenance

The proposed budget for the Infrastructure Operations and Maintenance division has various position changes resulting in a net increase of 4.24 full-time equivalent staff resulting in a \$337,316 increase in permanent salaries and a corresponding increase of \$75,421 in mandatory fringe benefits. Included in this Division's proposed budget is a request for new six new positions (the equivalent of 4.5 FTEs in FY 1998-99). These positions have been detailed above. Other major increases include \$25,900 for materials and supplies, \$11,324 for ongoing lease/purchase costs, and \$228,360 in services of other departments.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **TIS - DEPARTMENT OF TELECOMMUNICATIONS AND**
INFORMATION SERVICES

Finance and Administration

The proposed budget for the Finance and Administration division has various position changes resulting in a net decrease of 0.2 full-time equivalent staff resulting in a decrease of \$42,267 in permanent salaries, and a corresponding decrease of \$26,372 in mandatory fringe benefits. Increases in the proposed budget include \$59,020 for rents and leases, \$500,000 for other current expenses to address Year 2000 issues for City departments, \$2,847,841 for equipment, and a reduction of \$807,361 in interdepartmental recoveries.

Applications Development

The proposed budget for Applications Development has various positions changes resulting in a net decrease of 8.59 full-time equivalent staff for a decrease of \$560,731 in permanent salaries and \$112,981 in mandatory fringe benefits. Other major changes in the proposed budget include: (a) an increase of \$1,000,000 for other current expenses to provide funding for the Tivoli System Project, which is an IBM software package that would allow the City to manage Wide Area Networks, including diagnostic, preventive maintenance and system upgrade distribution functions, however, DTIS cannot provide details of the ongoing operating costs of this new system; and (b) \$460,980 for rent and leases, and \$501,621 for equipment maintenance

911 Project

There are no positions changes for the 911 Project and no other major changes in the Division's proposed budget. These positions have been transferred to the new Emergency Communications Department.

Policy, Planning & Compliance

The Policy, Planning, and Compliance Division was established in FY 1997-98 to assist the Telecommunications Commission in developing a Telecommunications Plan for the City, manage the City's cable TV issues, and incorporate the City's internal information technology planning agency, previously called EIPSC (Electronic Information Processing Steering Committee) and now redefined as COIT (Committee on Information Technology). The proposed budget includes \$847,577 in permanent salaries and \$193,403 in mandatory fringe benefits for 14.62 full-time equivalent staff. The net change of 2.50 FTEs reflects the annualization of two positions that were added to the budget in FY 1998-99 (0.50 FTEs), and two new positions that were transferred into DTIS Policy, Planning, and Compliance Division from Finance and Administration. Other major expenditures include \$18,175 in training, \$26,500 in membership fees, \$218,270 in professional services, and \$159,030 in services of other

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: TIS - DEPARTMENT OF TELECOMMUNICATIONS AND
INFORMATION SERVICES

departments. With the exception of professional and specialized services, these are the same amounts that were budgeted for FY 1997-98. The budget for professional and specialized services has been reduced by \$50.

Technical Services

The proposed budget for the Technical Services division includes \$3,497,316 in permanent salaries, \$815,064 in mandatory fringe benefits, and \$109,516 in overtime for 63.54 full-time equivalent positions. The increase in the budget for permanent salaries, which totals \$585,304, reflects the reclassification of all Management Information System positions by the Department of Human Resources. The Division operates the City's mainframe computers and provides technical support to City departments.

Comments:

1. The Budget Analyst recommends reserving the \$1,000,000 budgeted for the Tivoli Project pending further analysis by DTIS on the staffing needs for this project. Included in the analysis should be a description of what the new system can do that will replace activities that currently must be performed by DTIS staff, the amount of staff time that would be available for reallocation, and the cost of upgrades to existing equipment that would be required to implement Tivoli. Additionally, the Department should provide the Board of Supervisors with estimates of future staffing reductions, in terms of avoiding the need to hire additional staff, as a result of the acquisition of Tivoli.
2. The Mayor's budget provides for an increase of \$4,395,266. Our recommended reductions, which total \$118,740, will still allow an increase of \$4,276,526 or 9.4 percent in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: Department of Telecommunications and Information Services

Page	Object	Account Title	Position/ Equipment	<u>Number</u>	<u>Amount</u>	Savings
No.			Number	From To	From To	

Infrastructure operations and Maintenance (BIH)

*

1405	001	Permanent Salaries - Misc.			\$3,370,966	\$3,273,013
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* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.

1418	001	Engineer - Senior	1043N	1.50 0.00	97,953	0	\$97,953
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The Department has not adequately justified the addition of these two new positions, each with an annual salary of \$79,370 at the top step. The Department states that these positions would be paid for with existing workorders, or requests for services from other departments. However, the Department has not provided the Budget Analyst with current workorder requests signed by the departments receiving such services. As such, we recommend disapproval of these two new positions. The Budget Analyst has, however, recommended approval of 7.5 of the total of 9.0 new FTE positions (10.0 out of the 12.0 new FTEs annualized) requested by the Department.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: Department of Telecommunications and Information Services

Page No.	Object	Account Title	Position/ Equipment		Number		Amount		Savings
			Number	From	To	From	To		
1405	013	Mandatory Fringe Benefits					\$776,326	\$756,539	\$19,787
		Corresponds to the reduction in permanent salaries							

Finance and Administration - GE Non-project Controlled (BLJ)

1408	060	Equipment Purchase					2,847,841	2,846,841	*
		* The recommended reduction in equipment is the total of the following specific recommendations.							
1437	060	System Furniture Unit	SF001N	4.00	4.00		26,104	25,104	1,000
		To reduce the unit price by \$250 from \$6,526 to \$6,276.							

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: Department of Telecommunications and Information Services

Page			Position/ Equipment	<u>Number</u>		<u>Amount</u>		
No.	Object	Account Title	Number	From	To	From	To	Savings
Applications Development (BIT)								
410	035	Other Current Expenses				\$1,000,000	\$1,000,000	*
		Reserve funding for the Tivoli Project pending further analysis and details from DTIS regarding staff and other resource requirements, and the advantages to the City in implementing this system.						
Total Recommended Reductions								\$118,740
Total Recommended Reserves								\$1,000,000

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: ECD EMERGENCY COMMUNICATIONS DEPT.

Budget Volume:
Budget Page:

III
1116

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated		\$9,642,209	\$9,642,209	- %
Other Department Revenue	\$3,707,855	9,205,287	5,497,432	148.3
Lease Revenue Bonds		13,808,365	13,808,365	-
Proceeds From Bond Sales		20,259,259	20,259,259	-
Recoveries		30,645	30,645	-
Supplemental Appropriations				-
Total Sources	\$3,707,855	\$52,945,765	\$49,237,910	1327.9 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$3,707,855	\$52,945,765	\$49,237,910	1327.9 %
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	\$3,707,855	\$52,945,765	\$49,237,910	1327.9 %
Supplemental Appropriations				-
Total Uses	\$3,707,855	\$52,945,765	\$49,237,910	1327.9 %
Mayor's Listed Positions:				
Permanent	2.03	22.53	20.50	1009.9 %
Temporary	1.61	1.56	(0.05)	-3.1
Attrition Savings		(0.12)	(0.12)	-
Subtotal, Mayor's Budget	3.64	23.97	20.33	558.5 %
Adjustments (FTE):				
Overtime	0.12	0.42	0.30	239.3 %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	3.76	24.39	20.63	548.0 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **ECD – Emergency Communications Department**

Financial Data:

The Emergency Communications Department's proposed \$52,945,765 budget for FY 1998-99 is \$49,237,910, or 1,327.9 percent more than the original FY 1997-98 budget of \$3,707,855. The net increase from the revised FY 1997-98 budget to the proposed FY 1998-99 budget is \$41,708,910 or 371.2 percent.

Summary of Budgeted Activities:

	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
9-1-1 Project	\$3,707,855	\$10,737,890	\$35,581,194
Citywide 800 MHz Radio			
System	0	0	17,364,571
Technical Services	<u>0</u>	<u>498,965</u>	<u>0</u>
Total Expenditures	\$3,707,855	\$11,236,855	\$52,945,765

Department Revenues:

The Emergency Communications Department's FY 1998-99 proposed budget totals \$52,945,765 including \$43,272,911 in new revenues generated from: (1) proceeds from Lease Revenue Bonds (\$13,808,365); (2) 9-1-1 Access Fee and Other Government Charges (\$9,205,287); and (3) Bond Proceeds (\$20,259,259). The proposed FY 1998-99 revenues represent an increase of \$49,237,910, or 1,327.9 percent, over the original FY 1997-98 revenues of \$3,707,855.

Department Expenditures:

The Emergency Communications Department is a newly created department for the City and County of San Francisco. The Department was created to provide oversight for the implementation of the City's new 9-1-1 System and 800 MHz Citywide Radio System Project as well as ongoing management of the two systems once they become operational. Prior to the FY 1998-99 proposed budget, funding for these functions was included in the City Administrator's Office and the Department of Technology and Information Services.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **ECD – Emergency Communications Department**

This Department will now have a total of 23.97 FTEs including: (1) the 3.56 FTEs that have been associated with the 9-1-1 Project since its inception; (2) the transfer of 11.91 FTEs from the Department of Technology and Information Services; and (3) a request for 8.5 FTEs for FY 1998-99. The combination of the existing, new and transferred positions totals 23.97 FTEs. The 8.5 FTEs in new positions (11 positions on an annualized basis) requested for the 9-1-1 Project are as follows:

<u>Position/Classification</u>	FY 1998-99		Salaries and Fringe	
	<u>Benefit Costs</u>	<u>FTEs</u>	<u>Benefits at the Top</u>	<u>FTEs</u>
			<u>Step</u>	
1022 Administrator II	\$81,115	1.25	\$129,784	2.00
1042 Engineer-Journey	195,697	2.25	260,930	3.00
1063 Programmer Analyst				
- Senior	218,915	3.00	291,886	4.00
1070 Project Director	98,256	1.00	98,633	1.00
1376 Special Asst. XVII	<u>118,630</u>	<u>1.00</u>	<u>118,630</u>	<u>1.00</u>
Totals	\$712,613	8.5	\$899,863	11.0

The Budget Analyst recommends approval of the 1376 Special Assistant XVII position (1.0 FTE) at an annual cost of \$97,718, requested by the Department. However, the Budget Analyst does recommend reducing this position to 0.75 FTE, since it is a new position and should be budgeted for nine months of FY 1998-99. The Budget Analyst further recommends a downgrade of the requested 1070 Project Director position to a 1022 Administrator II position at 0.75 FTE for FY 1998-99.

These two positions have been requested at this time to participate in the configuration of the systems that will be put in place to run the Emergency Communications Center once it is operational. The 1376 Special Assistant XVII will eventually serve as the 9-1-1 Administrator for the City and would provide oversight of the systems design and configuration process. Similarly, the 1022 Administrator II position (to be downgraded from a 1070 Project Director) has been requested to oversee the actual installation of the new systems and will become responsible for the oversight of such systems once the new facility is operational. The Department states that it is also important for these two positions to be onboard to conduct tests of the new systems, prior to the transition to full operational status at the conclusion of the design, construction and configuration process.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **ECD – Emergency Communications Department**

Additionally, the Emergency Communications Department has requested three position substitutions. These include two 1070 Project Directors for one 1053 Business Analyst and one 1374 Special Assistant XV, for a savings of \$10,884; one 7367 Radio Technician for one 1373 Special Assistant XIV for a cost of \$5,343; and one 1370 Special Assistant XI for one 1367 Special Assistant VIII for a savings of \$12,710. The Budget Analyst recommends approval of these substitutions, which have been approved by the Department of Human Resources.

Fiscal Year 1998-99 proposed expenditures for non-personnel items primarily reflect projected costs for Professional and Specialized Services, and Equipment, which totals \$40,302,703, or 76.1 percent of the Department's budget. The Department's request includes the following major items:

9-1-1 Project Fund (Citywide 800 MHz Radio System Bond Proceeds)

Portable Test Equipment	\$11,277,242
2 Personal Computers	<u>5.000</u>

Total	\$11,282,242
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GF Non-Project Controlled (Citywide 800 MHz Radio System)

Initial Equipment Lease/Purchase	<u>\$1,499,925</u>
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Total	\$1,499,925
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GF Non-Project Controlled (9-1-1 Project)

Wiring for WAN/LAN	\$150,000
Cable TV Wiring	275,000
ECC Cable Head End	92,225
Mail Server Software	80,014
Oracle Software	505,000
Network Management Software	58,498
Police RMS Servers	726,712
Printers Police AIS System	177,823
Police AIS Workstations	1,883,375
UPS and Test Equipment	<u>212,630</u>

Total	\$4,161,277
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RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: ECD – Emergency Communications Department

9-1-1 Project Fund (9-1-1 Project)

PacBell Network Facility	\$200,000
Wiring CECC	700,000
Fire House Data Line	200,000
Server Fire AIS System	648,222
Printers Fire AIS System	172,939
Fire AIS Workstations	<u>1,178,839</u>

Total	\$3,100,000
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1994 Emergency Communications Center Bonds Series 1998

Fire Alarm Receiver	\$175,000
Public Safety Network	92,225
Remote Site WAN/LAN Wiring Upgrade	2,134,000
PacBell NW Backbone	1,133,000
WAN/LAN Electronics	3,330,387
PBX/PSAP	1,220,000
Automated Information System Equipment	5,997,198
Computer Aided Dispatch Equipment	2,866,449
Mobile Data Terminals	<u>3,311,000</u>

Total	<u>\$20,259,259</u>
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Grand Total	\$40,302,703
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The Mayor's budget provides for an increase of \$49,237,910. Our recommended reductions, which total \$79,879, would still allow an increase of \$49,158,031 or 1,325.8 percent in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: ECD Emergency Communications Department

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
911 Project (BLX)								
1120	001	Permanent Salaries - Misc.				\$586,995	\$521,520	*
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.						
1124	001	Project Director	1070N	1.00	0.00	80,936	0	\$80,936
	001	Administrator II	1022	0.00	0.75	0	39,893	(39,893)

The Department has agreed to a downgrading of this position to an Administrator II position, which will have ongoing responsibilities for the maintenance of the emergency communications systems once they are operational. The Budget Analyst and the Department concur that the Administrator II position is more in line with the duties of this position.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: ECD Emergency Communications Department

Page No.	Object	Account Title	Position/ Equipment Number	<u>Number</u>		<u>Amount</u>		Savings
				From	To	From	To	
1124	001	Special Assistant XVII Reduce to reflect funding at 0.75 FTE as this is a new position and should be funded for nine months.	1376N	1.00	0.75	97,718	73,286	24,432
20	013	Mandatory Fringe Benefits Corresponds to the reduction in permanent salaries				125,542	111,138	14,404
Total Recommended Reductions								<hr/> \$79,879

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: PUC PUBLIC UTILITIES COMMISSION

**Budget Volume: III
Budget Page: 1296**

	<u>FY 1997-98 Budget</u>	<u>Mayor's FY 1998-99 Budget</u>	<u>Change</u>	<u>Percent Change</u>
Mayor's Revenue Amounts:				
General Fund Unallocated				-
Other Department Revenue				-
Recoveries	\$79,831,639	\$73,505,057	(\$6,326,582)	-7.9 %
Dept. General Fund Revenue				-
Supplemental Appropriations	<u>310,872</u>		<u>(310,872)</u>	-
Total Sources	\$80,142,511	\$73,505,057	(\$6,637,454)	-8.3 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$79,831,639	\$73,505,057	(\$6,326,582)	-7.9 %
Fac. Maint. / Capital Imp.				
Subtotal - Mayor's Budget	<u>\$79,831,639</u>	<u>\$73,505,057</u>	<u>(\$6,326,582)</u>	-7.9 %
Supplemental Appropriations	<u>310,872</u>		<u>(310,872.00)</u>	-100.0
Total Uses	\$80,142,511	\$73,505,057	(\$6,637,454)	-8.3 %
Mayor's Listed Positions:				
Permanent	570.73	664.23	93.50	16.4 %
Temporary	12.37	4.20	(8.17)	-66.0
Attrition Savings	(14.07)	(15.72)	(1.65)	-11.7
Project Positions	<u>(172.51)</u>	<u>(230.23)</u>	<u>(57.72)</u>	-33.5
Subtotal, Mayor's Budget	<u>396.52</u>	<u>422.48</u>	<u>25.96</u>	6.5 %
Adjustments (FTE):				
Overtime	2.33	2.32	(0.01)	-0.6 %
Supplemental Appropriations	15.00		(15.00)	-100.0
Other Adjustments	<u>148.53</u>	<u>200.22</u>	<u>51.69</u>	34.8
Total FTE	562.38	625.02	62.64	11.1 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **PUC - Public Utilities Commission**

Financial Data:

The Public Utilities Commission's (PUC) proposed \$73,505,057 budget for FY 1998-99 is \$6,326,582 or 7.9 percent less than the original FY 1997-98 budget of \$79,831,639. The net increase from the revised FY 1997-98 budget to the proposed FY 1998-99 budget is \$11,959,184 or 19.4 percent.

Summary of Budgeted Activities:

<u>Activity</u>	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year 1998-99</u>
	<u>Original</u>	<u>Revised</u>	
Program Expenditures			
Environmental Regulation and Management	\$5,557,598	\$5,606,466	\$5,732,300
Water Quality	12,341,386	12,341,386	12,351,598
Customer Services	8,416,954	8,416,954	9,311,300
General Management	6,153,304	6,153,304	9,296,305
Management Information Systems	5,764,013	5,764,013	6,977,607
Finance	24,464,766*	5,251,818	5,598,877
Engineering	11,737,931	12,616,245	17,161,006
System Planning	2,290,114	2,290,114	2,264,588
Personnel	2,227,086	2,227,086	3,163,933
Pooled Water-Hetchy Resource Plan			643,134
Land Management	<u>878,487</u>	<u>878,487</u>	<u>1,004,409</u>
Total Public Utilities Commission (PUC)	\$79,831,639	\$61,545,873	\$73,505,057

*Includes Debt Service of \$19,226,548. Otherwise, the Finance Bureau's original budget was \$5,238,218. The Debt Service payment for FY 1998-99 is budgeted in the Water Department.

Departmental Revenues:

The Public Utilities Commission itself does not generate any revenues.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **PUC - Public Utilities Commission**

Departmental Organization:

The Public Utilities Commission (PUC) is comprised of 10 bureaus that provide administrative and technical support to four operating departments: the Water Department, Hetch Hetchy, Clean Water Program and Light, Heat & Power. The Bureau of Environmental Regulation and Management, which had previously been assigned to Department of Public Works, and the Bureaus of Water Quality and Customer Service, which had previously been assigned to the Water Department, were transferred to the PUC effective in the FY 1997-98 budget. The budgets of the Bureaus of the PUC are funded through allocations from each of the four operating Departments.

Department Expenditures:

FY 1997-98 authorized permanent FTE positions and FY 1998-99 permanent recommended FTE positions for the ten bureaus are as follows:

Number of Permanent Positions (FTEs)

<u>Bureau</u>	<u>FY 1997-98 Authorized</u>	<u>FY 1998-99 Recommended</u>	<u>Position Count Change</u>
Environmental Regulation and Management	49.00	52.50	3.50
Water Quality	109.25	115.50	6.25
Customer Services	106.25	109.00	2.75
General Management	14.50	16.00	1.50
Management Information Systems	39.00	46.50	7.50
Finance	39.00	44.00	5.00
Engineering	143.73	202.23	58.50
System Planning	36.00	38.00	2.00
Personnel	27.00	33.00	6.00
Land Management	<u>7.00</u>	<u>7.50</u>	<u>0.50</u>
Totals	570.73	664.23	93.50

The change of 93.5 FTE positions in permanent positions is shown on the first page of this report. The net change of 62.64 FTE positions shown on the first page includes changes in temporary positions, attrition savings, project positions, overtime, and the effect of positions added during FY

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: PUC - Public Utilities Commission

1997-98 through supplemental appropriation. Details on the net 93.5 increase in FTEs by individual bureaus are as follows:

- Environmental Regulation and Management includes 1.5 FTE new positions, a 1.0 FTE project position, and a 1.0 FTE position resulting from annualization.
- Water Quality includes 1.5 FTE new positions and 4.75 FTE positions resulting from annualization.
- Customer Services includes 2.0 FTE position transfers from Hetch Hetchy and 0.75 FTE positions resulting from annualization.
- General Management includes a 1.0 FTE position transfer from the Water Department and a 0.5 FTE position resulting from annualization
- Management Information Systems includes 2.5 FTE new positions, a 1.0 FTE position transfer from Hetch Hetchy, a 1.0 FTE project position, and 3.0 FTE positions resulting from annualization.
- Finance includes a 1.0 FTE new position, and 4.0 FTE project positions.
- Engineering includes 50.5 FTE new positions and 8.0 FTE positions resulting from annualization.
- Systems Planning includes 2.0 FTE new positions.
- Personnel includes 6.0 FTE new positions.
- Land Management includes a 0.5 FTE new position.

Permanent Salaries are increasing by \$5,494,813, from \$30,468,272 to \$35,963,085, due to the requested increase in budgeted positions.

Temporary Salaries are decreasing by \$371,729, from \$562,577 to \$190,848, due to transitioning from Temporary Salaries to Permanent Salaries, primarily in the Engineering Bureau.

Professional and Specialized Services increase by \$2,113,532, from \$2,806,752 to \$4,920,284, due to reallocation of funding from Other Current Expenses to properly budget the funding. However, the reduction in Other Current Expenses is offset by an increase of \$3.6 million, resulting from a conversion of project funding for Treasure Island support (\$2,932,514) and the Department's Resource

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **PUC - Public Utilities Commission**

Plan (\$643,134) to the operating budget. The Treasure Island funding is to provide for the operation and maintenance of the water, power, and sewer service facilities.

Maintenance Services – Equipment increases by \$785,941, from \$927,824 to \$1,713,765, due to the maintenance /licenses required on a new computer system being acquired by the Department.

Materials and Supplies decrease by \$18,380, from \$856,649 to \$838,269, due to reallocating the funds to other expense categories.

Equipment Purchases increase by \$674,000, from \$1,534,601 to \$2,208,601, due to increases for equipment needed to support water quality laboratories.

Comments:

1. In FY 1998-99, the Public Utilities Commission (PUC) intends to implement its \$2.3 billion Capital Improvement Program to replace its aging water infrastructure system, according to the, General Manager of the PUC. The PUC plans to sell approximately \$75 million of the \$304 million in water revenue bonds that was authorized in the election of November 1997. The General Manager reports that the PUC is requesting 59 new Engineering, 12 new Personnel and 2 new Finance positions to accomplish this new work effort. The Engineering and Finance positions would be funded by the water revenue bonds. The Personnel positions would be funded in the PUC's operating budget.

2. According to the General Manager, as a result of the completion of the transfer of the Cleanwater Program into the PUC, approximately \$5 million of savings, annually, are expected to be realized from the elimination of duplicate services in both Water and Cleanwater operations, beginning in FY 1998-99. These savings, in Permanent Salaries, Services of Other Departments, and Other Current Expenses, are reflected in the FY 1998-99 budget.

3. As previously noted, the Mayor's operating budget provides for a decrease of \$6,326,582, from \$79,831,639 in FY 1997-98 to \$73,505,057 in FY 1998-99. However, after adjusting the FY 1997-98 original budget to delete the \$19,226,548 Debt Service payment, which has been reallocated to the Water Department for FY 1998-99 budget, the PUC budget actually results in an *increase* of \$12,899,966 or 21.3 percent, from \$60,605,091 in FY 1997-98 to \$73,505,057 in FY 1998-99. Our recommended reductions, which total \$1,624,572, would still allow an increase of \$11,275,394, or 14.1 percent in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: PUC - Public Utilities Commission

Page			Position/ Equipment	Number		Amount		
No.	Object	Account Title	Number	From	To	From	To	Savings
<u>Environmental Regulation and Management (BAY)</u>								
1299	001	Permanent Salaries - Misc.				\$2,836,975	\$2,806,921	*
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.						
1360	001	Regulatory Specialist	5620N	1	0.5	60,108	30,054	\$30,054
		To delete two of the three new requested positions which are not sufficiently justified. We are recommending approval of one of three new requested positions in this Program. The Department has four Regulatory Specialists in its existing budget.						
1299	005	Temporary Salaries - Misc.				46,860	25,000	21,860
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.						
1299	013	Mandatory Fringe Benefits				640,380	633,168	7,212
		Corresponds to reduction in salaries.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: PUC - Public Utilities Commission

Page No.	Object	Account Title	Position/ Equipment		<u>Number</u>		<u>Amount</u>		<u>Savings</u>
			Number		From	To	From	To	
09	021	Travel					\$30,200	\$25,000	\$5,200
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.							
299	022	Training					36,670	30,000	6,670
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.							
299	027	Professional and Specialized Services					772,000	697,000	75,000
		Reduce to 1997-98 budget level adjusted by a cost of living factor for 1998-99.							
300	045	Safety					28,875	25,000	3,875
		Reduce funding for safety supplies to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.							

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: PUC - Public Utilities Commission

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
1300	049	Other Materials & Supplies Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.				\$88,746	\$81,946	\$6,800
1300	060	Equipment Purchase * The recommended reduction in equipment is the total of the following specific recommendations.				212,550	177,550	*
1381	060	Equipment Not Detailed To reduce new equipment purchases to the minimum essential needed for operations.	9999Z			0	(35,000)	35,000

Water Quality (BCD)

1301	011	Overtime Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.				102,440	80,000	22,440
1301	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.				1,477,289	1,471,904	5,385

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: PUC - Public Utilities Commission

Page No.	Object	Account Title	Position/ Equipment		<u>Number</u>		<u>Amount</u>		<u>Savings</u>
			<u>Number</u>		<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
301	021	Travel					\$49,000	\$40,000	\$9,000
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.							
301	027	Professional & Specialized Services					1,508,452	1,350,000	158,452
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.							
301	029	Maintenance Services - Equipment					206,537	158,356	48,181
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.							
301	042	Building & Construction Supplies					38,580	15,525	23,055
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.							

**RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS**

1998-99

Department/Division: PUC - Public Utilities Commission

Page No.	Object	Account Title	Position/ Equipment Number	<u>Number</u> From To	<u>Amount</u> From To		Savings
1301	060	Equipment Purchase			\$765,448	\$715,448	*
		* The recommended reduction in equipment is the total of the following specific recommendations.					
1385	060	Equipment Not Detailed	9999Z		0	(50,000)	\$50,000
		To reduce equipment purchase to the minimum essential needed for operations.					
<u>Customer Services (BCE)</u>							
1303	021	Travel			8,700	7,000	1,700
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.					
1303	029	Maintenance Services and Equipment			80,438	76,322	4,116
		Reduce to 1997-98 budget level adjusted by a cost of living factor for 1998-99.					
1303	031	Rent & Lease - Equipment			19,426	15,000	4,426
		Reduce to 1997-98 budget level adjusted by a cost of living factor for 1998-99.					

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: PUC - Public Utilities Commission

Page			Position/ Equipment	<u>Number</u>		<u>Amount</u>		
No.	Object	Account Title	Number	From	To	From	To	Savings
UC General Management (BCR)								
331	021	Travel				\$6,775	\$5,775	\$1,000
		Reduce to 1997-98 budget level adjusted by a cost of living factor for 1998-99.						
331	022	Training				15,700	5,900	9,800
		Reduce to 1997-98 budget level adjusted by a cost of living factor for 1998-99.						
331	027	Professional & Specialized Services				624,971	549,971	75,000
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.						
331	031	Rents & Leases - Equipment				7,000	3,700	3,300
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: PUC - Public Utilities Commission

Page No.	Object	Account Title	Position/ Equipment Number	Number From	To	Amount From	To	Savings
<u>PUC Management Information Systems (BCS)</u>								
1333	001	Permanent Salaries - Misc.				\$2,594,572	\$2,512,174	*
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.						
1368	001	Engineer -Senior	1043N	0.5	0	39,685	0	\$39,685
	001	Engineer-Principal	1044N	0.5	0	42,713	0	42,713
		To delete requested new positions not sufficiently justified. The Department already has 7.0 Sr. Engineer FTE positions and 4.5 Principal Engineer FTE positions.						
1333	013	Mandatory Fringe Benefits				766,470	746,695	19,775
		Corresponds to reduction in salaries.						
1333	029	Maintenance Services - Equipment				1,330,230	1,280,230	50,000
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: PUC - Public Utilities Commission

Page No.	Object	Account Title	Position/ Equipment		Number		Amount		Savings
			Number		From	To	From	To	
333	060	Equipment Purchase					\$867,500	\$842,500	*
		* The recommended reduction in equipment is the total of the following specific recommendations.							
390	060	Equipment Not Detailed	9999Z				0	(25,000)	\$25,000
		To reduce equipment purchases to the minimum essential needed for operations.							
JC Finance (BCT)									
334	001	Permanent Salaries - Misc.					2,239,844	2,208,433	*
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.							
371	001	Senior Administrative Analyst 1823N		0.50	0.00		31,411	0	31,411
		To delete a new position request not sufficiently justified. The Department presently has nine Senior Administrative Analyst positions. However, we are recommending approval of one of the two requested new positions in this Program.							

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: PUC - Public Utilities Commission

Page No.	Object	Account Title	Position/ Equipment		<u>Number</u>		<u>Amount</u>		<u>Savings</u>
			Number		From	To	From	To	
1334	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.					\$604,143	\$596,604	\$7,539
1334	011	Overtime Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.					4,033	1,035	2,998
1334	027	Professional & Specialized Services Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.					755,000	700,000	55,000

PUC Engineering (BCU)

1353	001	Permanent Salaries - Misc. * The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.					0	(235,455)	*
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RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: PUC - Public Utilities Commission

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
373	001	Principal Engineer	5212N	2.5	2.00	\$165,330	\$82,665	\$82,665
374	001	Senior Mechanical Engineer	5258N	1	0.50	89,680	0	89,680
375	001	Construction Inspector	6318N	1	0	63,110	0	63,110
		To delete three positions not sufficiently justified. We are recommending approval of 55.75 FTE positions in PUC Engineering.						
353	013	Mandatory Fringe Benefits				0	(56,509)	56,509
		Corresponds to reduction in salaries.						
353	027	Professional & Specialized Services				450,000	350,000	100,000
		To reduce the budget for a Professional Services contracts in accordance with the Department's updated requirements.						
<u>PUC Personnel (BCW)</u>								
16	001	Permanent Salaries - Misc.				1,735,725	1,690,120	*
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: PUC - Public Utilities Commission

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
1378	001	Personal Technician	1203N	0.50	0	\$21,167	0	\$21,167
	001	Senior Payroll & Personnel Clerk	1222N	0.50	0	24,438	0	24,438
		To delete two new positions (0.5 FTE each) not sufficiently justified. However we are recommending approval of eight of the twelve requested new positions in Personnel.						
1356	005	Temporary Salaries - Misc.				24,547	\$5,000	19,547
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.						
1356	013	Mandatory Fringe Benefits				444,403	432,987	11,416
		Corresponds to reduction in salaries.						
1356	022	Training				116,945	80,000	36,945
		Reduce to 1997-98 budget level adjusted by a cost of living factor for 1998-99.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: PUC - Public Utilities Commission

Page No.	Object	Account Title	Position/ Equipment		<u>Number</u>		<u>Amount</u>		<u>Savings</u>
			<u>Number</u>		<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
356	049	Other Materials & Supplies Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.					\$66,844	\$40,000	\$26,844
<u>PUC System Planning/Regulatory Control (BCV)</u>									
355	021	Travel Reduce to 1997-98 budget level adjusted by a cost of living factor for 1998-99.					48,293	30,000	18,293
95	027	Professional & Specialized Services Reduce to 1997-98 budget level adjusted by a cost of living factor for 1998-99.					620,000	510,000	110,000
355	060	Equipment Purchase * The recommended reduction in equipment is the total of the following specific recommendations.					71,950	60,000	*

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: PUC - Public Utilities Commission

Page No.	Object	Account Title	Position/ Equipment Number	Number		Amount		Savings
				From	To	From	To	
1394	060	Equipment Not Detailed To reduce equipment purchases to the minimum essential needed for operations.	9999Z			0	(\$11,950)	\$11,950

PUC Land Management (BCZ)

1358	027	Professional & Specialized Services To reduce the budget for a Professional Services contract in accordance with the Department's updated requirements.				\$170,361	100,000	70,361
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Total Recommended Reductions

\$1,624,572

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: LHP LIGHT HEAT AND POWER

**Budget Volume: III
Budget Page: 1190**

	<u>FY 1997-98 Budget</u>	<u>Mayor's FY 1998-99 Budget</u>	<u>Change</u>	<u>Percent Change</u>
Mayor's Revenue Amounts:				
General Fund Unallocated	\$4,853,320	\$4,851,194	(\$2,126)	0.0 %
Other Department Revenue				-
Recoveries	48,395,746	48,248,127	(147,619)	-0.3
Dept. General Fund Revenue				-
Supplemental Appropriations				-
Total Sources	<u>\$53,249,066</u>	<u>\$53,099,321</u>	<u>(\$149,745)</u>	<u>-0.3 %</u>
Mayor's Expenditure Amounts:				
Operating Expenditures	\$53,249,066	\$53,099,321	(\$149,745)	-0.3 %
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	<u>\$53,249,066</u>	<u>\$53,099,321</u>	<u>(\$149,745)</u>	<u>-0.3 %</u>
Supplemental Appropriations				-
Total Uses	<u>\$53,249,066</u>	<u>\$53,099,321</u>	<u>(\$149,745)</u>	<u>-0.3 %</u>
Mayor's Listed Positions:				
Permanent	8.00	8.00		- %
Temporary				-
Attrition Savings				-
Subtotal, Mayor's Budget	<u>8.00</u>	<u>8.00</u>		- %
Adjustments (FTE):				
Overtime	0.01	0.01		- %
Supplemental Appropriations				-
Other Adjustments	<u>(0.03)</u>	<u>(0.03)</u>		-
Total FTE	<u>7.98</u>	<u>7.98</u>		- %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **LHP - PUC Light, Heat & Power**

Financial Data:

The Bureau of Light, Heat and Power's proposed \$53,099,321 budget for FY 1998-99 is \$149,745 or 0.3 percent less than the original FY 1997-98 budget of \$53,249,066. The net decrease from the revised FY 1997-98 budget to the Standardized budget is \$212,045 or 0.4 percent.

Summary of Budgeted Activities:

<u>Program</u>	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year 1998-99</u>
	<u>Original</u>	<u>Revised</u>	
Utility Services	\$53,249,066	\$53,311,366	\$53,099,321

Department Personnel Changes

The budgeted number of positions remains at eight.

Department Expenditures:

Reported below are the work order transfers for Fiscal Years 1997-98 and 1998-99.

	<u>1997-98 Budget</u>	<u>1998-99 Request</u>
Work Order Expenditures for Light, Heat & Power	\$48,395,746	\$48,248,127

Also represented are the General Fund expenditures administered by Light, Heat and Power.

General Fund Expenditures for Light, Heat and Power

PG&E Light Maintenance	\$1,449,900	\$1,300,804
Maintenance of City-Owned Streetlights	600,000	610,250
Materials and Supplies for Maintenance	174,390	174,390
Cal Trans Street Lighting Maintenance	24,300	24,300
Utilities for Public Bldgs & Electricity for Street Lighting	2,010,170	2,010,170
Administrative Costs	<u>594,560</u>	<u>731,280</u>
Subtotal Operating Budget	\$4,853,320	\$4,851,194

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: LHP - PUC Light, Heat & Power

Comments:

1. The Bureau of Light, Heat, and Power is responsible for all aspects of City street lighting and for billing the various City agencies for electricity, purchased natural gas, and purchased steam. The Bureau operates administratively under Hetch Hetchy Water and Power. The goals of the Bureau are to compute electric, steam, and gas bills for all City agencies, to compute all street lighting charges, and to provide and maintain adequate and energy-efficient lighting on City streets.

2. The Bureau of Light, Heat & Power reports that they have reviewed the amounts budgeted by the City departments for light, heat, and power in the FY 1998-99 budget. The Budget Analyst has recommended minor changes to the individual departmental budgets pertaining to such amounts, where appropriate.

Recommendations:

None.

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: HHP HETCH HETCHY

**Budget Volume: III
Budget Page: 1147**

	<u>FY 1997-98 Budget</u>	<u>Mayor's FY 1998-99 Budget</u>	<u>Change</u>	<u>Percent Change</u>
Mayor's Revenue Amounts:				
General Fund Unallocated				- %
Other Department Revenue	\$111,835,048	\$122,439,513	\$10,604,465	9.5
Dept. General Fund Revenue				-
Supplemental Appropriations	<u>242,397</u>	<u></u>	<u>(242,397)</u>	-100.0
Total Sources	\$112,077,445	\$122,439,513	\$10,362,068	9.2 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$95,690,048	\$106,467,513	\$10,777,465	11.3 %
Fac. Maint. / Capital Imp.	16,145,000	15,972,000	(173,000)	-1.1
Subtotal - Mayor's Budget	<u>\$111,835,048</u>	<u>\$122,439,513</u>	<u>\$10,604,465</u>	9.5 %
Supplemental Appropriations	<u>242,397</u>	<u></u>	<u>(242,397)</u>	-100.0
Total Uses	\$112,077,445	\$122,439,513	\$10,362,068	9.2 %
Mayor's Listed Positions:				
Permanent	182.00	187.00	5.00	2.7 %
Temporary	5.04	9.72	4.68	92.9
Attrition Savings	(6.40)	(6.18)	0.22	3.4
Project Positions	<u>(17.00)</u>	<u>(21.00)</u>	<u>(4.00)</u>	-23.5
Subtotal, Mayor's Budget	163.64	169.54	5.90	3.6 %
Adjustments (FTE):				
Overtime	1.96	3.28	1.32	67.2 %
Supplemental Appropriations	4.00		(4.00)	-100.0
Other Adjustments	<u>1.14</u>	<u>1.13</u>	<u>(0.01)</u>	-0.9
Total FTE	170.74	173.95	3.21	1.9 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **HHP - Hetch Hetchy Project**

Financial Data:

Hetch Hetchy's proposed \$106,467,513 operating budget for FY 1998-99 is \$10,777,465 or 11.3 percent more than the original FY 1997-98 budget of \$95,690,048. The net increase from the revised FY 1997-98 budget to the proposed FY 1998-99 budget is \$6,568,483 or 6.6 percent.

Summary of Budgeted Activities:

	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Water Supply & Power Opns.	\$95,690,048	\$99,899,030	\$106,467,513
Fac. Maint./Capital Imp.	<u>16,145,000</u>	<u>12,766,440</u>	<u>15,972,000</u>
	\$111,835,048	\$112,665,470	\$122,439,513

Department Revenue and Fee Changes:

Budgeted revenues increase by a total of \$10,604,465 from \$111,835,048 to \$122,439,513, as follows:

	<u>FY 1997-98</u>	<u>FY 1998-99</u>	<u>Change</u>
Interest Earned	\$ 1,200,000	\$ 1,200,000	\$0
Sale of Electricity	78,763,396	91,267,021	12,503,625
Other Non-Oper. Revenue	1,131,382	1,000,000	(131,382)
Water Dept. Transfer	21,737,000	20,037,000	(1,700,000)
Expenditure Recovery	0	145,000	145,000
Beginning Fund Balance	<u>9,003,270</u>	<u>8,790,492</u>	<u>(212,778)</u>
Total	\$111,835,048	\$122,439,513	\$10,604,465

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **HHP - Hetch Hetchy Project**

Department Personnel Changes:

The Department is requesting three new permanent positions in its operating budget for FY 1998-99, as follows:

		<u>Mayor's Budget Request</u>		<u>Annualized</u>	<u>Annualized</u>
Position		Number of	Amounts	Number of	Salaries
<u>Number</u>	<u>Position Classification</u>	<u>Positions</u>	<u>Budgeted</u>	<u>Positions</u>	<u>At Top Step</u>
<i>New Positions</i>					
<u>Project Operations</u>					
1372	Special Assistant XIII	1.00	\$72,897	1.00	\$72,897
5608	Sr. Energy Specialist	<u>1.00</u>	<u>61,596</u>	<u>2.00</u>	<u>123,192</u>
	Total New Positions	2.00	\$134,493	3.00	\$196,089

The number of full-time equivalent (FTE) positions, which includes temporary salaries, attrition savings, and other adjustments increases by 3.21, from 170.74 FTE positions in FY 1997-98 to 173.95 FTE positions in FY 1998-99, due primarily to an increase of 4.68 FTE temporary positions, an increase of 1.32 FTE overtime positions, and the offsetting move of permanent positions to project positions.

Department Expenditures

Major increases and decreases in budgeted expenditures are as follows:

Power for Resale: The budgeted cost of Power for Resale increased by \$14,663,321, from \$13,807,708 to \$28,471,029. Of the \$14,663,321 increase, approximately \$8 million is due to the increased number of assigned customers serviced by the City as a result of the City's settlement with PG&E. (As shown above in the Revenue Changes section, Sale of Electricity increases by \$12,503,625.)

Other Current Expenditures: Decreased by \$767,005, from \$1,131,480 to \$364,475, due to allocating a portion of the expenditures to other expenditure categories, such as to Professional Services.

Taxes, Licenses, & Permits: Decreased by \$2,442,726, from \$10,489,491 to \$8,046,765, due to a decrease projected in liability for Bay Delta mitigation measures (\$1.7 million), and a decrease in the budgeted amount for Raker Act fees (\$600,000).

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: HHP - Hetch Hetchy Project

Services of Other Departments increased by \$1,231,638, from \$5,636,666 to \$6,868,304, due to increased services provided by the PUC bureaus and to reallocating costs previously budgeted under Other Current Expenditures.

Although the Department's operating budget shows an increase of \$10,777,465, from \$95,690,048 in FY 1997-98 to \$106,467,513 in FY 1998-99, the budget for Hetch Hetchy is actually decreasing when considering the cost of \$28.5 million to purchase Power for Resale.

Comments:

1. The proposed Hetch Hetchy revenue transfer to the General Fund has decreased by \$3.0 million from \$45,703,273 in Fiscal Year 1997-98 to \$42,703,273 in Fiscal Year 1998-99.
2. Mr. Larry Klein, General Manager of the Hetch Hetchy Project, reports that Hetch Hetchy, under the direction of the PUC, is actively pursuing the acquisition of the Hunters Point and the Potrero Power Plants from PG&E.
3. During FY 1997-98, Hetch Hetchy acquired over 200 additional retail electrical customers located on Port property, as a result of a settlement with PG&E. In addition, Hetch Hetchy is acting as project manager for the utilities (water, power, and sewer service) at Treasure Island. Hetch Hetchy has also assumed responsibility for the two new City-owned electrical sub-stations serving San Francisco International Airport.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: HHP - Hetch Hetchy Project

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
<u>Water Supply & Power Operations (BCB)</u>								
150	001	Permanent Salaries - Misc. * The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.				\$8,967,896	\$8,925,144	*
180	001	Assistant Energy Specialist To delete a vacant position as agreed to by the Department. We are recommending approval of two new 5608 Senior Energy Specialist positions in the Department's FY 1998-99 budget.	5604A	1	0	42,752	0	\$42,752
150	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.				2,468,665	2,458,405	10,260
150	021	Travel Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.				44,340	20,000	24,340

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: HHP - Hetch Hetchy Project

Page No.	Object	Account Title	Position/ Equipment		Number		Amount		Savings
			Number		From	To	From	To	
1150	022	Training Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.					\$71,125	\$50,000	\$21,125
1150	023	Employee Field Expense Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.					31,160	5,000	26,160
1150	028	Maintenance Services - Buildings & Structures Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.					63,739	50,000	13,739
1150	029	Maintenance Services - Equipment Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.					27,506	24,480	3,026

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: HHP - Hetch Hetchy Project

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
50	034	Subsistence Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.				\$15,419	\$7,194	\$8,225
50	042	Building & Construction Supplies Reduce to 1997-98 budget level adjusted by a cost of living factor for 1998-99.				294,299	283,900	10,399
50	046	Food Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.				61,534	15,000	46,534
51	049	Other Materials & Supplies Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.				257,926	200,000	57,926
151	060	Equipment Purchase * The recommended reduction in equipment is the total of the following specific recommendations.				510,080	465,080	*

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: HHP - Hetch Hetchy Project

Page			Position/	Equipment		Number		Amount		
No.	Object	Account Title	Number	From	To	From	To	Savings		
1185	060	Equipment Not Detailed				0	(\$45,000)	\$45,000		
		To reduce new equipment to the minimum essential needed for operations. However, in total equipment would still increase by \$465,080.								
Total Recommended Reductions									\$309,480	

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: WTR WATER DEPARTMENT

**Budget Volume: III
Budget Page: 1439**

	<u>FY 1997-98 Budget</u>	<u>Mayor's FY 1998-99 Budget</u>	<u>Change</u>	<u>Percent Change</u>
Mayor's Revenue Amounts:				
General Fund Unallocated				- %
Other Department Revenue	\$201,601,618	\$231,826,965	\$30,225,347	15.0
Dept. General Fund Revenue				-
Supplemental Appropriations				-
Total Sources	<u>\$201,601,618</u>	<u>\$231,826,965</u>	<u>\$30,225,347</u>	<u>15.0 %</u>
Mayor's Expenditure Amounts:				
Operating Expenditures	\$126,127,012	\$136,352,465	\$10,225,453	8.1 %
Fund Balance	61,462,076		(61,462,076)	-100.0
Fac. Maint. / Capital Imp.	14,012,530	95,474,500	81,461,970	581.4
Subtotal - Mayor's Budget	<u>\$201,601,618</u>	<u>\$231,826,965</u>	<u>\$30,225,347</u>	<u>15.0 %</u>
Supplemental Appropriations				-
Total Uses	<u>\$201,601,618</u>	<u>\$231,826,965</u>	<u>\$30,225,347</u>	<u>15.0 %</u>
Mayor's Listed Positions:				
Permanent	528.00	540.50	12.50	2.4 %
Temporary	4.72	6.65	1.93	40.9
Attrition Savings	(19.40)	(19.98)	(0.58)	-3.0
Project Positions	(66.00)	(68.00)	(2.00)	-3.0
Subtotal, Mayor's Budget	<u>447.32</u>	<u>459.17</u>	<u>11.85</u>	<u>2.6 %</u>
Adjustments (FTE):				
Overtime	8.62	15.90	7.28	84.5 %
Supplemental Appropriations				-
Other Adjustments	<u>(0.13)</u>	<u>(0.12)</u>	<u>0.01</u>	<u>6.3</u>
Total FTE	<u>455.81</u>	<u>474.95</u>	<u>19.14</u>	<u>4.2 %</u>

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **WTR - Water Department**

Financial Data:

The Water Department's proposed \$136,352,465 budget for FY 1998-99 is \$10,225,453 or 8.1 percent more than the original FY 1997-98 budget of \$126,127,012. The net increase from the revised FY 1997-98 budget to the proposed FY 1998-99 budget is \$8,018,983 or 6.2 percent.

Summary of Budgeted Activities:

	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
City Distribution	\$74,991,382	\$61,848,396	\$52,593,414
Water Distribution	35,749,530	48,801,699	37,612,648
Supply & Treatment	29,398,630	29,489,447	60,146,403
Miscellaneous Projects		1,379,566	
Transfer Adjustment	<u>(14,012,530)</u>	<u>(13,185,626)</u>	<u>(14,000,000)</u>
Operating Budget	\$126,127,012	\$128,333,482	\$136,352,465
Fund Balance	61,462,076		
Facilities Maint./Capital Imp.	<u>14,012,530</u>	<u>25,554,142</u>	<u>95,474,500</u>
Total Budget	\$201,601,618	\$153,887,624	\$231,826,965

In addition to funding \$136,352,465 in 1998-99 operating expenditures, the Water Department revenues and fees are also used to fund the Department's Facilities Maintenance/Capital Improvements Program, which for FY 1998-99 is budgeted at \$95,474,500.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **WTR - Water Department**

Department Revenues:

Budgeted revenues increase by \$30,225,747, from \$201,601,618 in FY 1997-98 to \$231,826,965 in FY 1998-99. The specific revenue sources for these fiscal years and their changes are as follows:

<u>Title</u>	<u>FY 1997-98</u>	<u>FY 1998-99</u>	<u>Change</u>
Sale of Water - Suburban Resale	\$58,940,550	\$60,374,000	\$1,433,450
Sale of Water - SF Consumers	63,875,000	64,449,875	574,875
Sale of Water - Muni Paying	2,100,000	2,100,000	0
Rents	6,150,000	6,150,000	0
Interest Income	1,600,000	3,600,000	2,000,000
Bond Sale Proceeds		70,474,500	70,474,500
Other Non-Operating Revenue	2,900,693	2,900,000	(693)
Interdepartmental Recovery		377,090	377,090
Beginning Fund Balance	<u>66,035,375</u>	<u>21,401,500</u>	<u>(44,633,875)</u>
Total Budgeted Revenues	\$201,601,618	\$231,826,965	\$30,225,347

Department Personnel Changes

The Water Department's proposed operating fund permanent and temporary position changes are as follows:

	<u>FY 1997-98</u>	<u>FY 1998-99</u>	
	<u>Position</u>	<u>Position</u>	<u>Position</u>
	<u>Count</u>	<u>Count</u>	<u>Changes</u>
Supply & Treatment	249.62	256.64	7.02
City Distribution	<u>197.70</u>	<u>202.53</u>	<u>4.83</u>
Net Position Count	447.32	459.17	11.85

However, after adjustments, the total FTEs increase by 19.14, including an increase of 7.28 Overtime FTEs and an increase of 0.01 in Other Adjustments.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **WTR - Water Department**

The requested new operating budget positions are as follows:

<u>Position Number</u>	<u>Position Classification</u>	<u>Number of Positions</u>	<u>Amounts Budgeted</u>	<u>Annualized Number of Positions</u>	<u>Annualized Salaries At Top Step</u>
<u>Supply & Treatment</u>					
1822	Administrative Analyst	0.50	\$28,358	1.00	\$55,332
7245	Chief Stationary Engineer	0.50	33,408	1.00	66,816
7341	Utility Plumber Supervisor I	0.50	36,204	1.00	70,470
<u>City Distribution</u>					
1934	Storekeeper	0.50	19,262	1.00	37,584
7205	Chief Stationary Engineer	0.50	30,302	1.00	60,604
7250	Utility Plumber Supervisor I	0.50	36,204	1.00	70,470
7334	Stationary Engineer	1.00	48,181	2.00	96,361
Subtotal New Positions		4.00*	\$231,919	8.00	\$457,637

*Four of the 12.5 FTE permanent position increase shown on the first page are operating budget positions. The remaining increase of 8.5 FTE positions include bond fund positions and FTE annualizations.

Department Expenditures:

Overtime increases by \$557,421 from \$689,132 to \$1,246,553, due to reallocating Overtime costs previously budgeted in Programmatic and Facilities Maintenance Projects.

Other Current Expenses decrease by \$1,466,047, from \$3,017,587 to \$1,551,540, due to reallocating costs to the correct line items.

Equipment Purchase increases by \$640,603, from \$664,747 to \$1,305,350, due to requests for large pieces of replacement equipment in the City Distribution Division.

Services of Other Departments increase by \$4,384,298 from \$40,003,965 to \$44,388,263, primarily due to an increase in the Water Department's share of the PUC's FY 1998-99 budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: WTR - Water Department

Comments:

1. Water rates for the City and County of San Francisco users for FY 1998-99 are the same as in FY 1997-98.
2. The Mayor's budget for Operating Expenditures provides for an increase of \$10,225,453. Our recommended reductions, which total \$525,420, would still allow an increase of \$9,700,033 or 7.7% in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: WTR - Water Department

Page No.	Object	Account Title	Position/ Equipment Number	Number From To	Amount From	To	Savings
<u>City Distribution (BCF)</u>							
1448	001	Permanent Salaries - Misc.			\$10,374,888	\$10,338,684	*
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.					
1517	001	Utility Plumber Supervisor	7250	0.5 0.0	36,204	0	\$36,204
		To delete a new position request not sufficiently justified. However, our recommendations provide for the approval of 7 of the 8 requested new positions.					
1448	013	Mandatory Fringe Benefits			3,343,409	3,334,721	8,688
		Corresponds to reduction in salaries.					
1448	021	Travel			11,700	7,500	4,200
		Reduce to 1997-98 budget level adjusted by a cost of living factor for 1998-99.					

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: WTR - Water Department

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
48	028	Maintenance Services - Buildings & Structures				\$40,001	\$35,760	\$4,241
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.						
48	047	Fuels and Lubricants				209,584	175,000	34,584
		Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.						
<u>Supply & Treatment (BCG)</u>								
57	027	Professional & Specialized Services				235,000	195,000	40,000
		To reduce funding to the minimum essential needed for efficient operations, as agreed to by the Department.						

**RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99**

Department: WTR - Water Department

Page No.	Object	Account Title	Position/ Equipment Number	Number From To	Amount From	To	Savings
1457	031	Rents & Leases - Equipment Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.			\$53,558	\$20,000	\$33,558
1457	035	Other Current Expenses Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.			1,087,226	962,226	125,000
1457	042	Building & Construction Supplies Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.			798,350	700,000	98,350
1457	043	Equipment Maintenance Supplies Reduce to 1997-98 budget level adjusted by a cost of living factor for 1998-99.			466,621	361,026	105,595
1458	060	Equipment Purchase * The recommended reduction in equipment is the total of the following specific recommendations.			455,500	420,500	*

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: WTR - Water Department

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
29	060	Equipment Not Detailed To reduce funding for equipment purchases to the minimum essential needed for operations. Equipment would still increase by \$420,500.	9999Z			0	(\$35,000)	\$35,000
Total Recommended Reductions								\$525,420

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: CWP CLEAN WATER

Budget Volume: III
Budget Page: 1002

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$118,818	\$152,192	\$33,374	28.1 %
Other Department Revenue	170,688,719	192,772,286	22,083,567	12.9
Recoveries		325,000	325,000	-
Dept. General Fund Revenue				-
Supplemental Appropriations				-
Total Sources	\$170,807,537	\$193,249,478	\$22,441,941	13.1 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$141,672,237	\$142,593,478	\$921,241	0.7 %
Fac. Maint. / Capital Imp.	29,135,300	50,656,000	21,520,700	73.9
Subtotal - Mayor's Budget	\$170,807,537	\$193,249,478	\$22,441,941	13.1 %
Supplemental Appropriations				-
Total Uses	\$170,807,537	\$193,249,478	\$22,441,941	13.1 %
Mayor's Listed Positions:				
Permanent	384.50	391.25	6.75	1.8 %
Temporary	7.24	11.61	4.37	60.4
Attrition Savings	(20.56)	(22.74)	(2.18)	-10.6
Project Positions		(8.50)	(8.50)	-
Subtotal, Mayor's Budget	371.18	371.62	0.44	0.1 %
Adjustments (FTE):				
Overtime	10.98	11.98	1.01	9.2 %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	382.16	383.60	1.45	0.4 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: CWP - Clean Water Program

Financial Data:

The Clean Water Program's proposed \$142,593,478 operating budget for FY 1998-99 is \$921,241 or 0.7 percent more than the original FY 1997-98 budget of \$141,672,237. The revised FY 1997-98 budget is identical to the proposed budget.

Summary of Budgeted Activities:

<u>Activity</u>	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year 1998-99</u>
	<u>Original</u>	<u>Revised</u>	
Operating Expenditures	\$141,672,237	\$141,672,237	\$142,593,478
PUC Clean Water	<u>29,135,300</u>	<u>29,135,300</u>	<u>50,656,000</u>
Total Expenditures	\$170,807,537	\$170,807,537	\$193,249,478

Departmental Revenues:

Revenues are primarily from the Sewer Service Charge. Program revenues for the Clean Water Program include:

<u>Revenue Title</u>	<u>1997-98 Original Budget</u>	<u>1997-98 Revised Budget</u>	<u>1998-99 Mayor's Recommended</u>
Interest Earned - Pooled Cash	\$7,364,817	\$7,364,817	\$5,500,000
City Property Rentals	417,490	417,490	417,490
Treasure Island Revenue	226,647	226,647	0
Sewer Service Charge	139,797,413	139,797,413	140,937,120
Proceed from Sale of Bonds			27,600,000
General Fund Support	118,818	118,818	152,192
Interdepartmental Recovery	(800,000)	(800,000)	325,000
Fund Balance	<u>23,682,352</u>	<u>23,682,352</u>	<u>18,317,676</u>
Total Revenues	\$170,807,537	\$170,807,537	\$193,249,478

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **CWP - Clean Water Program**

Departmental Organization:

In FY 1997-98, the Clean Water Program, formerly the Bureau of Water Pollution Control in the Department of Public Works (DPW), was transferred and placed under the authority of the Public Utilities Commission (PUC) as a separate enterprise fund. The Clean Water Program now operates and maintains the sewerage and water pollution control system serving the City, while sewer repairs continue to be managed by the DPW Bureau of Street and Sewer Repair and Bureau of Engineering.

Department Expenditures:

The Clean Water Program is requesting a total of six new full-time positions on an annualized basis, as shown below, at an annual cost of \$406,585. The six new positions would result in an additional 3.0 FTE positions in FY 1998-99. The Department's permanent position FTE increase of 6.75 positions, shown on the first page, is the net effect of the 3.0 new FTE positions, 8.5 new FTE project funded positions, 5.0 FTE deleted positions, and a 0.25 FTE annualization. The 3.0 new FTE operating budget positions (six positions) would be allocated to the Department as follows:

	FY 1997-98 Position Count	FY 1998-99 Position Count	New Position FTE Change	Annualized FTE Change
Clean Water Program	384.5	391.25	3.00	6.00

<u>Description</u>	<u>Budgeted FTE Count</u>	<u>Annualized FTE Count</u>
1022N Administrator II	0.5	1.0
5258N Senior Mechanical Engineer	0.5	1.0
6130N Safety Analyst	0.5	1.0
7210N Mobile Equipment Supervisor	0.5	1.0
7246N Sewer Repair Supervisor	0.5	1.0
7373N Senior Stationary Engineer	<u>0.5</u>	<u>1.0</u>
Total	3.00	6.00

The Budget Analyst is recommending approval of three of the six (3.0 FTEs in FY 1998-99) new positions.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: CWP - Clean Water Program

In addition, the Department is requesting an increase of 4.37 FTEs in Temporary Salaries. Overtime has been increased by 1.01 FTEs.

The Clean Water Program has identified the following key goals:

- To respond to increasing regulatory standards and requirements by continuing to improve operational efficiencies.
- To shift the major focus of the Clean Water Program from construction of wastewater treatment plants to the rehabilitation and preventive maintenance of the sewage collection system.
- To improve the effectiveness of the odor control program by prompt attention to complaints.
- To accomplish goals while containing costs, in compliance with Proposition "H," approved by the electorate in June of 1998, which froze the sewer service charge rate until the year 2006.

Comments:

The Clean Water Program has under its administration the management of the Earl P. Mills Southeast Community Facility, located in Bayview-Hunters Point, whose budget is part of the General Fund.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: CWP - Clean Water Program

Page No.	Object	Account Title	Position/ Equipment	<u>Number</u>		<u>Amount</u>		Savings
			Number	From	To	From	To	
<u>Water Pollution Control (BAX)</u>								
010	001	Permanent Salaries - Misc.				\$17,419,761	\$17,272,314	*
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.						
023	001	Stationary Engineer, Sewage Plant	7372A	113.0	111.0	6,001,826	5,895,599	\$106,227
		To delete two vacant positions as agreed to by the Department.						
023	001	Sewer Repair Supervisor II	7246N	0.5	0.0	33,469	0	33,469
		To delete a new position not sufficiently justified. There are presently two Sewer Repair Supervisor II positions.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: CWP - Clean Water Program

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
1023	001	Mechanical Engineer Associate	5346S	(1.0)	0.0	(\$49,225)	0	(\$49,225)
1023	001	Engineering Associate II To disapprove upward reclassification which has not yet been approved by the Director of Human Resources.	5366S	1.0	0.0	56,976	0	56,976
1010	009	Premium Pay Reduce Premium Pay to 1997-98 level of expenditures for wage and salary increases.				209,780	\$150,000	59,780
1010	011	Overtime Reduce Overtime to 1997-98 level of expenditures adjusted for wage and salary increases.				764,083	650,000	114,083
1010	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.				4,604,190	4,528,148	76,042
1010	021	Travel Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.				74,984	60,000	14,984

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: CWP - Clean Water Program

Page No.	Object	Account Title	Position/ Equipment		Number		Amount		Savings
			Number	From	To	From	To		
011	022	Training Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.					\$102,220	\$90,000	\$12,220
011	024	Membership Fees Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.					41,750	36,244	5,506
011	027	Professional & Specialized Services Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.					540,928	425,000	115,928
011	029	Maintenance Services - Equipment Reduce to 1997-98 annualized actual April expenditure adjusted by a cost of living factor for 1998-99.					2,602,569	2,102,569	500,000
011	031	Rents and Leases - Equipment Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.					152,325	100,000	52,325

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: CWP - Clean Water Program

Page No.	Object	Account Title	Position/ Equipment Number	From	To	Amount From	To	Savings
1011	048	Water Sewage Treatment Supplies Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99 plus new requirements.				\$4,576,363	\$4,250,000	\$326,363
1100	049	Other Materials and Supplies Reduce to actual 1997-98 expenditure level adjusted by a cost of living factor for 1998-99.				526,500	451,500	75,000
1011	060	Equipment Purchase * The recommended reduction in equipment is the total of the following specific recommendations.				623,690	548,690	*
1028	060	Equipment Not Detailed To reduce equipment purchase to the minimum essential amount needed.	9999Z			0	(75,000)	75,000
Total Recommended Reductions								\$1,574,678

BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY

Department: DPT MUNICIPAL RAILWAY

Budget Volume:
Budget Page:

III
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	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Contribution	\$45,818,474	\$49,095,398	\$3,276,924	7.2 %
Other Department Revenue	162,959,923	184,229,928	21,270,005	13.1
Dept. General Fund Revenue				-
Recoveries	267,231	596,294	329,063	123.1
Cash Transit Fares	97,665,000	97,665,000		
Supplemental Appropriations				-
Total Sources	\$306,710,628	\$331,586,620	\$24,875,992	8.1 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$306,390,628	\$331,236,620	\$24,845,992	8.1 %
Fac. Maint. / Capital Imp.	320,000	350,000	30,000	9.4
Subtotal - Mayor's Budget	\$306,710,628	\$331,586,620	\$24,875,992	8.1 %
Supplemental Appropriations				-
Total Uses	\$306,710,628	\$331,586,620	\$24,875,992	8.1 %
Mayor's Listed Positions:				
Permanent	3,680.22	3,792.36	112.14	3.0 %
Temporary	22.14	32.44	10.30	46.5
Attrition Savings	(69.93)	(74.73)	(4.80)	-6.9
Project Positions	(141.75)	(176.50)	(34.75)	-24.5
Subtotal, Mayor's Budget	3,490.68	3,573.57	82.89	2.4 %
Adjustments (FTE):				
Overtime	27.97	27.67	(0.30)	-1.1 %
Supplemental Appropriations				-
Other Adjustments	0.01		(0.01)	-100.0
Total FTE	3,518.66	3,601.24	82.58	2.3 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: DPT - Department of Public Transportation (Municipal Railway)

Financial Data:

The Department of Public Transportation's (DPT) proposed \$331,236,620 operating budget for FY 1998-99 is \$24,845,992, or 8.1 percent more than the original FY 1997-98 operating budget of \$306,390,628. The net increase from the revised FY 1997-98 budget of \$313,091,337 to the proposed FY 1998-99 budget is \$18,145,283, or 5.8 percent.

Summary of Budgeted Activities:

	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>	<u>Difference -</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>	<u>Original FY</u>
				<u>97-98 and FY</u>
				<u>98-99</u>
Operations Division	\$141,910,938	\$144,263,060	\$149,820,206	\$7,909,268
Maintenance Division	101,383,275	101,316,639	108,783,133	7,399,858
Capital Projects	5,658,115	10,102,207	6,521,962	863,847
Finance, Admin., & Personnel	55,060,863	55,472,159	62,773,699	7,712,836
Director's Office	7,026,437	7,134,164	8,747,537	1,621,100
Transfers/Adjustments	<u>(4,749,000)</u>	<u>(5,196,892)</u>	<u>(5,409,917)</u>	<u>(660,917)</u>
Sub-total Operating	\$306,390,628	\$313,091,337	\$331,236,620	\$24,845,992
Capital Improvements	<u>\$320,000</u>	<u>\$320,000</u>	<u>\$350,000</u>	<u>\$30,000</u>
Total Budgeted Expenditures	\$306,710,628	\$313,411,337	\$331,586,620	\$24,875,992

Department Revenues:

The Department of Public Transportation's revenues are projected to increase by a net amount of approximately \$24.9 million from the FY 1997-98 budget. Major changes in net revenue result from increases in General Fund contributions, traffic fines, parking tax receipts, sales tax receipts, State operating subsidies, and transit advertising, which counterbalanced a major decrease in Federal operating assistance. Passenger fare revenue for FY 1998-99 is projected to remain the same as in FY 1997-98. A detailed listing of DPT's budgeted revenues for FY 1997-98 and FY 1998-99 is shown on the following page.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS

1998-99

Department: **DPT - Department of Public Transportation (Municipal Railway)**

	<u>Original</u> <u>FY 1997-98</u>	<u>Proposed</u> <u>FY 1998-99</u>	<u>Increase/</u> <u>(Decrease)</u>
Operations			
<i>Transit Shelter Revenue</i>	\$181,762	\$217,208	\$35,446
Capital Projects			
<i>Misc. Transit Operating Revenue</i>	\$4,479,000	\$4,697,010	\$218,010
Finance/Administration/Personnel			
<i>Local Non-Operating Revenues</i>			
<i>Parking Tax</i>	\$15,080,230	\$17,198,000	\$2,117,770
<i>Traffic Fines- Parking</i>	48,600,000	58,234,242	9,634,242
<i>Parking Meter Collection</i>	7,600,000	7,600,000	0
<i>Golden Gateway Garage</i>	2,521,550	2,532,422	10,872
<i>Sutter-Stockton Garage- Uptown Pkg.</i>	3,358,775	3,827,550	468,775
<i>Other City Owned Garages</i>	1,950,525	2,161,067	210,542
<i>Other City Property Rental</i>	<u>62,221</u>	<u>63,154</u>	<u>933</u>
<i>Subtotal</i>	\$79,173,301	\$91,616,435	\$12,443,134
<i>Operating Revenues</i>			
<i>BART ADA/BART Transfer Payment</i>	\$1,751,358	\$2,037,094	\$285,736
<i>Transit Cash Fares</i>	97,665,000	97,665,000	0
<i>Transit Advertising</i>	2,707,178	4,100,000	1,392,822
<i>Paratransit Fares</i>	674,400	591,784	(82,616)
<i>Commission on Aging</i>	591,885	609,642	17,757
<i>BART ADA Reimbursement</i>	815,826	848,459	32,633
<i>TIDF</i>	4,429,000	4,429,000	0
<i>Misc. Transit Operating Revenues</i>	<u>329,007</u>	<u>269,495</u>	<u>(59,512)</u>
<i>Subtotal</i>	\$108,963,654	\$110,550,474	\$1,586,820
<i>State and Federal Revenues</i>			
<i>Reconciling Items</i>	\$153,654	(\$188,933)	(\$342,587)
<i>Transit Operating Assistance (Federal)</i>	2,941,124	0	(2,941,124)
<i>County Sales Tax (AB 1107)</i>	23,638,964	30,031,353	6,392,389
<i>TDA- Sales Tax-Operating</i>	27,829,288	30,052,935	2,223,647
<i>Countywide Sales Tax (Prop. B)</i>	4,983,300	5,232,465	249,165
<i>STA- Operating</i>	6,847,890	9,150,152	2,302,262
<i>STA- Paratransit</i>	<u>517,536</u>	<u>535,829</u>	<u>18,293</u>
<i>Subtotal</i>	\$66,911,756	\$74,813,801	\$7,902,045
<i>General Fund & Fund Balance</i>			
<i>General Fund</i>	\$45,818,474	\$49,095,398	\$3,276,924
<i>Fund Balance</i>	<u>915,450</u>	<u>0</u>	<u>(915,450)</u>
<i>Subtotal</i>	\$46,733,924	\$49,095,398	\$2,361,474
Total Finance/Administration/Personnel			
<i>Recoveries</i>	<u>\$267,231</u>	<u>\$596,294</u>	<u>\$329,063</u>
TOTAL REVENUE	\$306,710,628	\$331,586,620	\$24,875,992

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **DPT - Department of Public Transportation (Municipal Railway)**

Department Personnel Changes

The number of full-time-equivalent positions, exclusive of adjustments, increases by 82.89 FTEs, from 3,490.68 in FY 1997-98 to 3,573.57 in FY 1998-99. Including adjustments, the Department receives an 82.58 increase in FTEs. The FTE allocations by program are as follows:

Program	Original FY 97-98	Revised FY 97-98	Proposed FY 98-99	Increase (Decrease) Original FY 97-98 and FY 98-99
Operations Division	2,188.34	2,188.34	2,235.21	46.87
Maintenance Division	1,088.29	1,088.29	1,084.02	(4.27)
Capital Projects (Project Funds)	0.00	0.00	0.00	0.00
Finance, Admin., & Personnel	164.04	164.04	177.43	13.39
Director's Office	<u>50.01</u>	<u>50.01</u>	<u>76.91</u>	<u>26.90</u>
FTEs Fully Funded	3,490.68	3,490.68	3,573.57	82.89
Adjustments	<u>27.98</u>	<u>27.98</u>	<u>27.67</u>	<u>(0.31)</u>
Total FTEs	3,518.66	3,518.66	3,601.24	82.58

The increase of 82.58 FTE positions includes 73.5 new positions. Of the new positions, 29 FTE positions were approved by the Board of Supervisors on June 15, 1997 in the Interim Annual Salary Ordinance (File 98-853). The Department's FY 1998-99 budget also includes 16.5 new FTE positions in the Operations Division, 4.0 new FTE positions in the Finance, Administration and Personnel Division, and 24.0 new FTE positions in the Director's Office. The remaining increase of 9.08 FTE positions is due to a reduction in Attrition Savings, an increase in Temporary positions, an increase in Project positions, an increase in Overtime, and an Annualization of new positions approved in the FY 1997-98 budget. The Budget Analyst is recommending approval of 69.75 of the 73.5 requested new positions.

Department Expenditures:

The Mayor has proposed that the Department of Public Transportation receive approximately \$24.9 million more in budgeted expenditures for FY 1998-99 than were included in the original FY 1997-98 approved budget. Approximately \$1.4 million of the \$24.9 million total is due to funding costs for 29 new positions approved by the Board of Supervisors in the Interim Annual Salary Ordinance.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **DPT - Department of Public Transportation (Municipal Railway)**

The Mayor's recommended FY 1998-99 budget includes significant expenditure increases from the original FY 1997-98 budget. As shown above under "Summary of Budgeted Activities," funding for the Operations Division would increase by \$7,909,268, which is approximately 31.8 percent of the total requested increase of \$24,845,992; funding for the Maintenance Division would increase by \$7,399,858, which is approximately 29.8 percent of the total requested increase; and funding for the Finance/Administration/Personnel Division would increase by \$7,712,836, which is approximately 31.0 percent of the total requested increase.

The Mayor's recommended FY 1998-99 Budget provides for the following major program realignments and enhancements:

Operations Division - Additional Resources: *46.87 FTE Positions*
\$7,909,268

- Hire 28 new Transit Supervisors and one Transit Manager I (29 FTEs) as trainers to address the existing transit operator shortage and resulting attrition. MUNI advises that there currently exists a shortage of 206 operators out of a total 1,833 budgeted FTE positions. That shortage of operators is equivalent to an attrition rate of approximately 222 operators per year. MUNI estimates that 450 new operators will need to be trained and that the additional 28 new trainers will provide the additional classes to eliminate the 222 operator attrition rate. The 29 positions associated with the increased training program were approved in the Interim Annual Salary Ordinance.
- Add seven Transit Managers (7 FTEs) positions that were funded in FY 1997-98 with temporary requisitions in order to implement the Advanced Train Control System.
- Add 12 new Transit Supervisors (9 FTEs) to increase street supervision for additional Metro transit service. The 12 new positions are added to an existing staff of 16 Transit Service Inspectors assigned to the Metro Street Unit.
- Add 1 Transit Planner III (0.5 FTEs) to the MUNI-Transit Shelter Program, which would increase total personnel from one to two. This program manages the installation and maintenance of transit shelters through a contract with Outdoor Systems, Inc.
- Transfer 4.0 FTEs from Operations to Finance, Administration and Personnel Division (3.0 FTEs) and Director's Office (1 FTE).
- Annualize two positions (Secretary II and Senior Management Assistant) for a total increase of 0.5 FTEs.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS

1998-99

Department: **DPT - Department of Public Transportation (Municipal Railway)**

- An increase to Temporary Salaries of \$456,283 that would annualize and expand the Transit Assistants Program by 10.3 FTEs, from 8.26 FTEs to 18.56 FTEs.
- Attrition Savings have been increased by \$307,276 from \$734,806 in FY 1997-98 to \$1,042,082 in FY 1998-99. This reduction is the equivalent of reducing 5.43 FTEs.

Recommendation: Reduce funding by a total of \$1,363,609, including 2.25 full-time, permanent positions.

Maintenance Division - Additional Resources: *(4.27) FTE Positions*
\$7,399,858

- Transfer out of the Maintenance Division of five positions (5 FTE) to the Finance Administration/Personnel Division;
- Attrition Savings have been increased by \$62,836, from \$2,236,742 in FY 1997-98 to \$2,299,578 in FY 1998-99. However, due to cost-of-living-adjustments (COLAs) and other salary changes, this increase actually represents fewer FTEs included in Attrition Savings. This is the equivalent of adding approximately 0.73 FTEs;
- The Maintenance Division's FY 1998-99 budget contains no new positions;
- Despite the net loss of positions, the Maintenance Division's FY 1998-99 budget for Permanent Salaries increases by \$1,654,855, from \$52,469,293 in FY 1997-98 to \$54,124,148 in FY 1998-99, due to a Division-wide cost of living adjustment of 3.15%;
- An increase of \$645,787, from \$14,619,412 in FY 1997-98 to \$15,265,199 in FY 1998-99, in Mandatory Fringe Benefits, which corresponds to the increase in Permanent Salaries mentioned above;
- An increase of \$4,000,000, from \$10,534,721 in FY 1997-98 to \$14,534,721 in FY 1998-99, in Equipment Maintenance Supplies.

Recommendation: Approve the requested funding.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **DPT - Department of Public Transportation (Municipal Railway)**

Capital Projects Division - Additional Resources: 0.00 FTE Positions
\$863,847

- The Capital Projects Division is responsible for Muni's capital project management, design, and construction. The costs for both salaries and all other expenses are paid from grants. No General Fund monies are allocated to the Capital Projects Division.

Recommendation: Approve the requested funding.

Finance, Admin. & Personnel Division (FAP) - Additional Resources: 13.39 FTE Positions
\$7,712,836

- Add three positions (2.25 FTEs) to the Paratransit Program, a Paratransit Coordinator (Transit Planner II), Accessibility Projects Coordinator (Transit Planner II) and Discount ID Card Clerk. These positions are funded from Paratransit Revenue.
- Add a second Chief of Systems (0.75 FTE) to the FAP Division.
- Add a fourth Principal Fare Collections Receiver (1.0 FTE) to the Revenue and Collections Section. The new position will release an existing Senior Fare Collections Receiver requisition currently pending in this Section.
- Create a new Principal Administrative Analyst (1.0 FTE) in the MUNI Transit Impact Development Fund Program.
- Transfer five positions from the Maintenance Division and three positions from the Operations Division for a net increase to Finance, Admin. & Personnel of 8.0 FTEs. In addition, annualize 4.5 FTEs that were approved during FY 1997-98 and reduce 4.0 FTEs that are non-operating position offsets.
- Attrition Savings have been increased by \$6,322 from \$342,611 in FY 1997-98 to \$348,933 in FY 1998-99. This addition is the equivalent of reducing 0.11 FTEs.
- An increase of \$673,182 to Other Current Expenses reflects \$200,000 to a Back Injury Prevention Program and \$473,182 for a contract for Surveillance and Return To Work Program.
- An increase of \$3,084,480 to Services of Other Departments includes \$1,000,000 to the City Attorney to fund prior year under-budgeting and current needs for legal services, \$52,000 for State Legislative services, \$2,150,000 to the Department of Human Resources to administer

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **DPT - Department of Public Transportation (Municipal Railway)**

workers' compensation activities and a net reduction of \$117,520 for other departmental services provided to MUNI.

Recommendation: Reduce funding by a total of \$228,985, including a net of 0.75 positions.

Director's Office (BEM) - Additional Resources: *26.90 FTE Positions*
\$1,621,100

- Transfer in of three positions (3 FTEs) from within the Department, including 1 FTE Personnel Analyst-1241 from the Finance/Administration/Personnel Division (FAP); 1 FTE Secretary I-1444 from the Operations Division; and 1 FTE Principal Clerk-1408 from the Capital Projects Division;
- Creation of one new, limited-term Special Assistant X-1369 position (0.75 FTE) to provide support for executive staff in the areas of labor relations and negotiations, outreach to community organizations, and local and regional transportation policy;
- Creation of seven new permanent salaried Transit Information Clerk-9122 positions (7 FTEs) to increase staffing of the Telephone Information Center and thereby improve customer service. These positions were approved by the Board of Supervisors in a Supplemental Appropriation during the 1997-1998 fiscal year;
- Creation of four new permanent salaried Senior Clerk-1406 positions (3 FTEs) to monitor video transmissions from 100 DPT vehicles as a follow-up on DPT's pilot program to reduce crime and disturbances on vehicles equipped with cameras;
- Creation of one new permanent salaried Management Assistant-1842 position (0.75 FTE) to manage the Security Section's office, which will have oversight of several new programs in Fiscal Year 1998-99, including MUNI Transit Assistants Program, Video Surveillance Program, Workers Compensation Fraud Investigation program, and a new identification badge system;
- Creation of one new permanent salaried Senior Administrative Assistant-1823 position (0.75 FTE) to operate the new Proof of Payment Fare Inspection Unit within DPT's Security Unit;
- Creation of 25 new permanent salaried Police Services Aide-9209 positions (12.5 FTE) to enforce the new Proof of Payment Fare Inspection Program mentioned above. As recommended in the Budget Analyst's 1996 Proposition J management audit of the Municipal Railway, these civilian inspectors would assume enforcement responsibilities from Police Officers. In January,

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **DPT - Department of Public Transportation (Municipal Railway)**

1999, 17 of the positions are expected to begin work on the N-Judah light rail vehicle line, while 8 of the positions would begin work on the 30 and 45 bus lines;

- Substitution of three positions in the Director's Office's Substance Abuse Program into similar positions within a new Annual Continuing Project budget for the Substance Abuse Program.
- Other minor personnel changes result in a net decrease of 0.85 FTE, for an overall change of 26.9 FTE for the Director's Office;
- An increase of \$291,205, from \$560,375 in FY 1997-98 to \$851,580 in FY 1998-99, in Mandatory Fringe Benefits, which corresponds to the increase of \$1,051,989, from \$2,323,614 in FY 1997-98 to \$3,375,603 in FY 1998-99, in Permanent Salaries; and
- An increase of \$200,000, from \$1,339,401 in FY 1997-98 to \$1,539,401 in FY 1998-99, in Maintenance Services-Buildings and Structures, to provide an inflationary adjustment for the cost of guard services.

Recommendation: Reduce funding by a total of \$55,683, including one full-time, limited-term 0.75 FTE position.

Comments:

1. As mentioned above, the Department projects that revenue from various sources, including the City's General Fund, will increase by a total of \$24,875,992, from \$306,710,628 in FY 1997-98 to \$331,586,620 in FY 1998-99. Projected increases in non-General Fund sources limit the requested General Fund increase to \$3,276,924, from \$45,818,474 in FY 1997-98 to \$49,095,398 in FY 1998-99. Discussions with the Department indicate, however, that two of the projected sources are most likely overstated in the FY 1998-99 budget request. First, 'Traffic Fines-Parking' revenue, projected to increase by \$9,634,242 in FY 1998-99, will likely only increase by \$7.8 million, for a shortfall of approximately \$1.8 million. This revenue shortfall is related to a delay in the completion of the Parking and Citation Processing Program and would be offset by expenditure savings in the Department of Parking and Traffic. Second, 'Transit Cash Fare' revenue, although not projected to increase in FY 1998-99 above the \$97,665,000 budgeted for FY 1997-98, appears likely, based on the Department's projections, to fall short of this amount by approximately \$1.8 million. MUNI advises that if these revenue shortfalls actually occur, the Department would have to seek a Supplemental Appropriation. However, Mr. Matthew Hymel, Director of the Mayor's Office of Finance, and the Controller do not concur with the Department's estimated shortfall in revenues, and are undertaking a thorough review of projected fare revenues.

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2. The Department has recommended the addition of 12 new (9.00 FTEs) Street Supervisor positions for full staffing of the Metro Operations Unit to accommodate the additional Metro transit service and to assist with the Advanced Train Control System (ATCS). MUNI staff advises that all of the Street Supervisor positions with the Metro Unit should be filled to improve safety. We concur. However, we still recommend that 9 of these 12 new positions (6.75 FTEs) be approved, thereby reducing the total request by 3 (2.25 FTEs) positions. Metro transit service can be fully staffed with the 12 additional Street Supervisor positions, together with other changes to the Department's existing deployment of Street Supervisors based on the Budget Analyst's 1996 Municipal Railway management audit recommendations. Specifically, existing Street Supervisors can be reassigned to randomly selected posts at locations where known service problems exist instead of existing fixed locations that do not regularly experience such problems. This can be accomplished by reassigning other Street Supervisor positions currently assigned to fixed diesel bus and electric trolley coach route locations as an alternative to a full deployment of Street Supervisors to an expanded Metro Operations Unit.

3. Increased training will result from the approval in the Interim Budget of 29 new training (29.0 FTEs) positions, which is designed to eliminate the current attrition rate of 272 Platform Operators by the end of FY 1998-99. Under these circumstances, Platform Salaries are expected to increase and related overtime is expected to decrease. Overtime costs would decrease at a rate 1.5 times the increase in Platform Salary costs since overtime is 50 percent more expensive than direct salary costs. The Department advises that savings to operator salaries and overtime cannot occur because new drivers cannot be trained and assigned immediately to specified transit routes in the City. The Budget Analyst concurs that the operator attrition rate will not be immediately reduced. However, the Budget Analyst believes that there will be savings on a gradual basis throughout FY 1998-99 as new operators are trained and are systematically added to MUNI operations. The Budget Analyst estimates that during FY 1998-99, a gradual addition of drivers will provide a concurrent reduction in operator overtime costs. The calculation for anticipated savings from increases to Platform Operator Salaries and reductions to Platform Operator overtime identifies the addition of 170 operators during FY 1998-99, thereby reducing the current operator attrition from 272 to 102 Operator positions. This leaves 102 operator positions to be added by June 30, 1999. The calculated savings during FY 1998-99 are as follows:

Net Savings Related to Salary Increases and Overtime Decreases:

	<u>Number of Positions</u>	<u>Amount of Salary Savings</u>
Additional operators between 10-98 and 12-98	34	\$363,850
Additional operators between 1-99 and 3-99	68	436,630
Additional operators between 4-99 and 6-99	<u>68</u>	<u>145,520</u>
Total Savings	170	\$946,000

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4. The recommended FY 1998-99 budget increases Permanent Salaries-Platform by \$1,728,220. MUNI advises that the additional budgeted amount is to reduce the current vacancy rate of operators directly related to the expansion of the operator-training program. Of this total, \$1,293,360 has been justified as follows: (1) \$953,282 for an increase in the new operator-training budget to train the additional new operators to bring the numbers of operators to full strength; and (2) \$340,078 for operator re-training to upgrade existing personnel to the operation of the Breda Light Rail Vehicles and the new Automatic Train Control System (ATCS). However, an additional \$434,860, the difference between \$1,728,220 and \$1,293,360, has also been budgeted for the expansion of the operator-training program but has only been described in general terms by the Department and has not been fully justified in the budget. Therefore, this additional budgeted amount of \$434,860 should be reserved until the Department provides details on how the funds will be expended.

5. The Department is proposing the expansion of the Transit Assistants Program by 20 temporary employees, from 28 to 48 Public Service Aides. The Aides will ride in teams to provide information to transit patrons and help to maintain order and prevent disturbances in the vehicles. Based on our analysis of the original start-up of the program and the significant expansion of the current program in FY 1998-99, the Budget Analyst recommends a 20 percent reduction in the funds budgeted for the proposed expansion of the Transit Assistants Program. MUNI staff advises that, because they intend to hire a manager and coordinator with the additional funds for the Transit Assistants Program, there should be no delays in expanding the program as occurred when the program was delayed three months during its initial start-up. Although we disagree with the MUNI staff assessment and believe that 20 percent of the proposed funds should be cut, we recommend instead that 20 percent of the additional requested funds, or \$91,257, be reserved to determine the actual full funding needs of the Transit Assistants Program during FY 1998-99.

6. Concerning the System Safety program within the Director's Office, the Department requested six new positions (4.5 FTEs) to develop a State-mandated comprehensive system safety program in response to recent accidents in the Municipal Railway system. This request was made after preparation of the FY 1998-99 Budget Report, however. The technical adjustments to the FY 1998-99 Budget Report included five of the six requested positions (3.75 FTEs), including one Safety Officer-5177 (0.75 FTE), three System Safety Inspectors-9173 (2.25 FTEs), and one Statistician-1804 (0.75 FTE), but did not include the requested Secretary I-1444 position (0.75 FTE). As mentioned above, these positions and the associated salaries do not appear in the 1998-99 Budget Report.

7. According to the Department, in FY 1997-98, grant-funded staff from the Capital Projects Division were re-assigned to the Maintenance Division to better reflect the nature of their specific job responsibilities. For FY 1998-99, the Maintenance Division proposes to substitute these positions for currently vacant General Fund-funded positions, thereby increasing DPT's General Fund personnel

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expenditures. This substitution will free up grant funds within the Capital Projects Division for other capital project activities.

8. In addition, MUNI staff advises that a new 0.5 FTE Transit Planner III, added to the MUNI Shelter Program and to be paid for by the shelter contractor, Outdoor Systems, Inc., replaces a grant-funded 0.5 FTE Transit Planner III currently funded by the Transportation Authority. This grant-funded position was not included in the proposed FY 1998-99 budget as a replacement for the new Transit Shelter planning position. As the duties and responsibilities for the Transit Planner III position are to be transferred from the Transportation Authority to the MUNI Shelter Program, additional grant funds will be available to the Transportation Authority for other project planning activities.

9. The Mayor's operating budget provides for an increase of \$24,845,992, or 8.1 percent. Our recommended reductions, which total \$1,648,277, would still allow an increase of \$23,197,715, or 7.6 percent in the Department's budget.

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			Number	From	To	From	To	

Operations Division (BEI)

065	003	Permanent Salaries - Platform				\$95,634,199	\$94,688,199	*
		<p>* The recommended reduction in Permanent Salaries - Platform is the total of the following specific recommendations regarding individual classifications.</p>						
090	003	Transit Operator	9163A	1833	1833	95,634,199	94,688,199	\$946,000
		<p>Reduce Transit Operator salaries by \$946,000, as calculated under Comment No. 3, based on the anticipated reduction in overtime that heretofore has been needed to fill existing Transit Operator vacancies. Our recommended reduction of \$946,000 would still provide the same amount of overtime or \$20,911,035 which is projected for FY 1997-98. The overtime savings will occur with the approval in the FY 1998-99 Interim Budget of 28 new Transit Supervisors and one new Transit Manager I. These 29 new positions will train transit operators in order to fill vacant positions, thereby reducing the number of vacant positions, which should increase the number of filled Transit Operators by an estimated 170 FTEs during FY 1998-99. MUNI justified the 29 new positions approved in the FY 1998-99 Interim Budget on the basis of using these positions to train Transit Operators in order to get the Transit Operator positions filled on an expedited basis instead of using overtime. Now, MUNI is stating that no amount overtime can be reduced which is directly contrary to their justification to have the Finance Committee approve 29 trainer positions in the Interim Budget.</p>						

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		* Reserve \$434,860 of the \$94,688,199 balance until MUNI justifies in greater detail how these additional funds will be spent for the expansion of the operator-training program.				\$94,688,199	\$94,688,199	*
1065	001	Permanent Salaries - Miscellaneous				20,352,340	20,241,234	*
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.						
1090	001	Transit Supervisor	9139N	37.00	34.75	1,827,078	1,715,972	\$111,106
		We recommend approval of 9 of the 12 requested new positions. These positions are responsible for street supervision to accommodate the additional Metro transit service. We recommend a reduction of the other 3 requested (2.25 FTEs) new Transit Supervisor positions based on the Budget Analyst's 1996 MUNI management audit report, which recommends that such Transit Supervisors be assigned to randomly selected posts instead of fixed locations. MUNI staff advises that all positions need to be filled because of the higher complexity of the Metro transit service, in contrast to the street supervision of the diesel bus and trolley coach operations. The Budget Analyst concurs that 12 positions are needed for the Metro Transit service but believes that the three positions recommended for deletion can easily be replaced with a reassignment of three existing Transit Supervisors who are assigned to diesel bus and trolley coach routes for street supervision duties.						

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Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings	
			Number	From	To	From	To		
065	005	Temporary Salaries-Misc.				\$858,849	\$832,123	*	
		* The recommended reduction in Temporary Salaries is the total of the following specific recommendations.							
090	005	Public Service Aides	TEMPM			483,009	456,283*	\$26,726	
		Reduce Temporary salary funds by \$26,726 for a part-time Librarian I, which has not been adequately justified. This position would manage the MUNI Transit Library for use by managers and staff.							
		* We also recommend that \$91,257 of the \$456,283 balance be reserved pending a report to the Finance Committee by the Department as to the ability to fully expend the entire balance of \$456,283 to expand the Transit Assistants Program which employs Public Service Aides to ride transit vehicles on lines that have high occurrences of graffiti, juvenile disturbances and assaults.					456,283	456,283	*
		Our recommended reduction still provides for the expenditure of \$365,026 (\$456,283 less \$91,257) for expanding the Transit Assistants Program from its current annual funding of \$375,000 to \$740,026, or an increase of 97 percent over the FY 1997-98 budget.							
165	013	Mandatory Fringe Benefits				28,952,186	28,687,909	264,277	
		Corresponds to reduction in Miscellaneous and Platform salaries.							

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Page No.	Object	Account Title	Position/ Equipment Number			Amount		Savings
			Number	From	To	From	To	
1065	022	Training				\$96,570	\$81,070	\$15,500
		Reduce the new program for special manager, supervisor and employee training by \$15,500, from \$96,570 to \$81,070, because the type of cross-training of these personnel has not been adequately justified. Our recommended amount of \$81,070 would still provide for an increase of \$60,900 or 302 percent in training.						

Finance/Admin/Personnel (BEL)

1081	011	Overtime				220,000	204,500	15,500
		Reduce overtime by \$15,500 to account for the savings that should result from the hiring of a new Principal Fare Collections Receiver position, which we have recommended be approved. MUNI states that there are other overtime shortfalls not related to the hiring of the new Principal Fare Collections Receiver but did not provide us with any details.						

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Page No.	Object	Account Title	Position/ Equipment Number			Amount		Savings
			Number	From	To	From	To	
081	029	Maintenance Services - Equipment				\$82,872	\$52,170	\$30,702
		To reduce funding consistent with Farebox repair and repair of computer equipment. Funding for this object was \$8,695 in FY 1996-97. Our recommended amount of \$52,170 would still provides for a 600 percent increase.						
081	035	Other Current Expenses				12,525,636	12,491,978	33,658
		Reduce the cost of two new contracts related to Integrated Safety and Loss prevention by 5 percent, or \$33,658 from \$673,182 to \$639,524. Our recommended reduction still will provide an increase of \$313,204, or 5.4 percent in these services even after the Department has made an offsetting budget adjustment which has deleted four positions totaling \$326,320.						
181	049	Other Materials & Supplies				1,160,503	1,137,378	23,125
		Reduce to 1997-98 budget level adjusted by a cost of living factor for 1998-99. Our recommended reduction of \$23,125 still provides Muni with \$1,137,378 which is \$184,875 or a 19.4 percent increase over FY 1997-98.						

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			Number	From	To	From	To	
1082	081	Services of Other Depts				\$20,479,349	\$20,353,349	\$126,000
		Reduce proposed budgeted items as follows: City Attorney (\$95,000), DPH Toxic Waste & Hazard (\$15,000), and Department of Telecommunications and Information Services (\$16,000). Our recommended reduction would still allow a \$905,000 increase to the City Attorney (352 percent), \$28,000 increase to DPH Toxic Waste (10.3 percent), and \$35,000 (71.4 percent) to the Department of Telecommunications and Information Services.						

Director's Office (BEM)

1084	001	Permanent Salaries - Misc.				3,375,603	3,339,056	*
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual classifications.						

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Object	Object	Account Title	Position/ Equipment Number			Amount		Savings
			Number	From	To	From	To	
10	001	Special Assistant X	1369	0.75	0.00	\$36,547	0	\$36,547
		<p>The Department has proposed this new position in the Director's Office with an annual salary of \$48,729 as a "point person" regarding Department-wide service delivery issues such as Communications, Public Relations, Policy, Research, and Special Projects. The Director's Office already includes one Deputy General Manager, one Chief of Staff, three Special Assistants, one Public Information Officer, and three Public Relations Officers, at annual salaries ranging from \$44,109 to \$94,821. The Department has not adequately justified the need for this additional position to provide assistance to the General Manager.</p>						
84	013	Mandatory Fringe Benefits				851,580	\$842,444	9,136
		<p>Corresponds to reduction in salaries.</p>						
34	021	Travel				35,000	25,000	10,000
		<p>Reduce to actual FY 1997-98 expenditure level adjusted by a cost of living factor. Our recommendation of \$25,000 still provides an additional \$15,000, or a 150% increase for Travel over the FY 1997-98 budget.</p>						

Total Recommended Reductions

\$1,648,277

Total Recommended Reserves

\$526,117

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: San Francisco Redevelopment Agency (SFRA)

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
Property Sales, Rents & Leases	\$24,395,000	\$42,189,000	\$17,794,000	72.9 %
Prior Years Earnings/Savings	5,150,000	9,125,000	3,975,000	77.2
Grants	12,561,000	12,028,000	-533,000	-4.2
Other Revenues	25,556,000	7,040,000	-18,516,000	-72.5
General Fund/Tax Increment	25,279,000	31,589,000	6,310,000	25.0
Supplemental Appropriations				-
Total Sources	\$92,941,000	\$101,971,000	\$9,030,000	9.7 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$124,645,000	\$101,971,000	-\$22,674,000	-18.2 %
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	\$124,645,000	\$101,971,000	-\$22,674,000	-18.2 %
Supplemental Appropriations				-
Total Uses	\$124,645,000	\$101,971,000	-\$22,674,000	-18.2 %
Mayor's Listed Positions:				
Permanent	116.75	115.00	(1.75)	-1.5 %
Temporary	13.50	12.50	(1.00)	-7.4
Work Order				-
Salary Savings	(3.14)	(2.42)	0.72	-22.9
Project Positions				-
Subtotal, Mayor's Budget	127.11	125.08	(2.03)	-1.6 %
Adjustments (FTE):				
Overtime				- %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	127.11	125.08	(2.03)	-1.6 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
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Department: **San Francisco Redevelopment Agency (SFRA)**

Financial Data:

The Agency's proposed \$101,971,000 budget for FY 1998-99 is \$22,674,000, or approximately 18.2 percent, less than the approved FY 1997-98 budget of \$124,645,000.

Amount:	Expenditure Budget	\$124,645,000	\$101,971,000
Revenues:		<u>FY 1997-98</u>	<u>FY 1998-99</u>
	Property Sales	\$14,500,000	\$32,000,000
	Rentals/Leases	9,895,000	10,189,000
	Prior Year Earnings/Savings	5,150,000	9,125,000
	Grants	12,561,000	12,028,000
	Other	25,556,000	7,040,000
	Tax Increment	<u>20,003,000</u>	<u>23,272,000</u>
	Total	\$87,665,000	\$93,654,000
Expenditures:	<u>Program Budget</u>		
	Legal	990,000	754,000
	Studies & Miscellaneous Items	2,577,000	582,000
	Planning	2,342,000	310,000
	Acquisition	8,000,000	250,000
	Public Improvements	27,140,000	14,000,000
	Architecture, Engineering, Design	3,475,000	250,000
	Relocation	2,065,000	1,557,000
	Property Maintenance	7,956,000	7,663,000
	Housing Production & Assistance	16,535,000	16,992,000
	Employment Assistance	837,000	757,000
	Business Development/Revitalization	3,635,000	550,000
	Endowment	1,577,000	2,195,000
	Debt Service	<u>35,799,000</u>	<u>44,082,000</u>
	Subtotal	\$112,928,000	\$89,942,000
	<u>Administrative Budget</u>		
	Personnel Costs	9,722,000	10,009,000
	Other Administrative Costs	<u>1,995,000</u>	<u>2,020,000</u>
	Subtotal	\$11,717,000	\$12,029,000
	Total Expenditures	\$124,645,000	\$101,971,000
	Total Revenues	87,665,000	93,654,000
	Surplus (Deficit)	(\$36,980,000)	(\$8,317,000)
Deficit Financing:		<u>FY 1997-98</u>	<u>FY 1998-99</u>
	Tax Increment Bond Proceeds	\$35,180,000	\$0
	Tax Increment (pay-as-you-go)	<u>1,800,000</u>	<u>8,317,000</u>
	Total	\$36,980,000	\$8,317,000

A description of new Redevelopment Survey Areas, existing Redevelopment Survey Areas, continuing Redevelopment projects and programs, and the FY 1998-99 activities planned for each area are as follows:

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Department: **San Francisco Redevelopment Agency (SFRA)**

Existing Survey Areas

Mission Bay North and South

\$499,000

The Mission Bay North Survey Area consists of 65 acres bounded by Third Street, Townsend Street, Mission Creek, and Seventh Street. Preliminary plans for this Area call for construction of 3,000 apartments, including 600 affordable housing units; up to 600,000 square feet of retail space; and a 7-acre park.

The Mission Bay South Survey Area consists of 240 acres bounded by Highway 280, Terry Francois Boulevard, Mission Creek, and Mariposa Street. Preliminary plans for this Survey Area call for construction of 3,000 apartments, including 1,100 affordable units; 5,000,000 square feet of research and development or office space; a 43-acre campus for the University of California at San Francisco (UCSF); a hotel, public school, police and fire stations, and 38 acres of parks.

Programmatic goals for FY 1998-99 are as follows:

- Certify joint Environmental Impact Report (EIR) for the North and South Survey Areas;
- Adopt North and South Survey Area Redevelopment Plans;
- Transfer land between City and private owner, the Catellus Development Corporation, and arrange for donation of land to UCSF;
- Begin construction of UCSF campus and the first phase of retail and housing development in Mission Bay North.

Mid-Market

\$226,000

In December, 1995, the Board of Supervisors declared a Mid-Market Survey Area, extending from Fourth Street to Octavia Street along Market Street, to determine the desirability of a Redevelopment Project for the area. The process of developing the redevelopment survey area began in January, 1996.

Programmatic goals for FY 1998-99 are as follows:

- Complete draft EIR;
- Coordinate with City Departments on planning and implementing public improvements.

Hunters Point Shipyard Survey Area

\$8,735,000

The Hunters Point Shipyard is a 500-acre waterfront facility located in southeast San Francisco. In 1991, under the Federal Base Realignment and Closure Commission, the Shipyard was declared surplus and closed. The Office of Military Base Conversion (OMBC), established in 1993 as the local reuse authority by the Mayor and the Board of Supervisors, has been coordinating reuse planning and redevelopment of the Shipyard and negotiating with the Navy for the transfer of property. A Draft Reuse Plan was developed and approved by the

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Redevelopment and Planning Commissions and the Board of Supervisors in March, 1995. Upon completion of the Project Area, the Shipyard is anticipated to provide up to 8,000 jobs through mixed use development such as new industrial and business activities, cultural facilities including museums and galleries, recreation areas, and shoreline accessible to the public.

Programmatic goals for FY 1998-99 are as follows:

- Continue marketing the Shipyard for interim reuse;
- Approve a Master Lease for the Shipyard and begin property management activities;
- Select a master developer to develop the reuse plan for the Shipyard;
- Certify the EIR on the reuse and proposed infrastructure plans;
- Acquire parcels from the US Navy after confirmation of the completion of toxic clean-up;
- Complete design and construction documents for new infrastructure, including sewer, electricity, and road improvements.

South Bayshore Study Area

\$677,000

South Bayshore, located in the southeast corner of San Francisco and bounded by Cesar Chavez Boulevard to the north, the James Lick Freeway to the west, the San Francisco Bay and the Hunters Point Shipyard to the east, and the San Francisco county line to the south, was designated as a Survey Area by the Board of Supervisors on January 3, 1995. South Bayshore consists of approximately 2,528 acres and has an estimated population of 20,000. Private housing growth is expected to result in a total population increase of 25,000 by the year 2000.

Programmatic goals for FY 1998-99 are as follows:

- Initiate Redevelopment Plan adoption process;
- Complete draft EIR.

Transbay Terminal/Terminal Separator Study Area

\$226,000

The Transbay Survey Area consists of approximately 180 acres and is generally bounded by Market Street to the North, the Bay Bridge to the south, Spear Street to the east, and New Montgomery Street to the west. The project area abuts the existing Golden Gateway, Rincon Point - South Beach, and Yerba Buena Center Redevelopment Project Areas. The Survey Area is currently characterized by office and service commercial development with a significant amount of land and street area dedicated to transportation services and open parking. The right-of-way for the Terminal Separator structure, which previously provided freeway linkages to the Bay Bridge, is now vacant. This sizable land resource, together with certain proposed transportation projects such as the potential extension of CalTrain commuter rail line, and the potential replacement of the present Transbay Terminal with a new facility, presents the opportunity for significant new land use and economic development, transportation and cultural activities.

In November, 1997, further implementation of the proposed Transbay Redevelopment Area was deferred, pending funding decisions by the Metropolitan Transportation Commission (MTC). These decisions are expected to be made in mid-1998.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
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1998-99

Department: **San Francisco Redevelopment Agency (SFRA)**

Programmatic goals for FY 1998-99, assuming favorable funding decisions by the MTC, are as follows:

- Complete EIR and other technical documents for proposed Redevelopment Plan;
- Work with transit providers to implement transit improvements and integrate them with surrounding land uses.

Continuing Redevelopment Projects

Yerba Buena Center **\$32,536,000**

Art Center & Gardens Operation **\$5,997,000**

Yerba Buena Center (YBC) is an 87-acre project located adjacent to San Francisco's downtown office and retail districts. It extends from Market Street on the north to Harrison Street on the south, and from Second Street on the east to the west property line along Fourth Street.

There are three "Central Blocks" in YBC, consisting of a total of 22 acres. The uses for these blocks include the George Moscone Convention Center, a major hotel and office building, retail, recreational, amusement, entertainment, parking, and cultural facilities in a garden setting. These uses were set forth in a Master Plan and Agreement concluded in December, 1984. The first phase, a 1,500-room Marriott Hotel, was completed in the fall of 1989. In November, 1986, the voters approved the expansion of the Moscone Center to add 330,000 square feet of exhibition space and meeting rooms to the existing Convention facility. The Project Area also consists of the existing Art Center and Gardens, which the Agency operates.

Programmatic goals for FY 1998-99 are as follows:

- Facilitate operations of the Children's Center, which are scheduled to begin in June, 1998 and include a child care center, ice rink/bowling center, Yerba Buena Gardens (YBG) Studio, and carousel and interactive garden;
- Advertise, select contractor, award bid and monitor construction of Jessie Square;
- Oversee the final design and monitor construction of the Jewish Museum at Jessie Square;
- Facilitate development of the Mexican Museum in the site adjacent to Jessie Square;
- Work with developer of the 750,000 square foot mixed-use development to achieve the opening of the Powell Street BART entrance into YBG and construction of the pedestrian walkway from Market to Mission Streets;
- Monitor construction and lease up of the 350,000 sq. ft. entertainment/retail development on Central Block 2;
- Review design and monitor construction of the 500-unit development on EB-1 at Third and Mission Streets;
- Continue to monitor construction of the 423-room hotel on East Block 2-C at Third and Howard Streets;
- Continue to monitor construction and eventual leasing of the supermarket and 159 housing unit development at Fourth and Harrison Streets;

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **San Francisco Redevelopment Agency (SFRA)**

- Work with City departments to amend the boundaries of the YBC Plan to accommodate the Federated department store development at the former Emporium site; carry out negotiations for the related Owner Participation Agreement; and review design proposals.
- Continue operations of the Arts Center and Gardens.

Rincon Point-South Beach

\$11,356,000

Rincon Point-South Beach (RP-SB) is a 115-acre redevelopment project located along the northeastern waterfront. Implementation of the project began in 1981, with the goal of converting this once blighted area into a mixed-use neighborhood. To date, approximately 2,000 dwellings have been constructed (32% for low/moderate income households); the 700-berth South Beach harbor is fully occupied; local streets, plazas, utilities, and sidewalks have been constructed; the Rincon Annex Post Office has been rehabilitated; and construction of the new Giants baseball stadium has begun. Completion of the project is anticipated to occur by 2010.

Programmatic goals for FY 1998-99 are as follows:

- Complete development of 38 loft-style residential units (Site F-1);
- Pursue owner participation for housing development at the Japan Warehouse site (Site H);
- Begin construction of residential condominium tower adjacent to rehabilitated Oriental Warehouse (Site I);
- Continue construction of 233-unit housing project;
- Convey property to the Gap for development of a 540,000 square foot headquarters office building, and start construction in the summer of 1998;
- Continue development activities for Pacific Stock Exchange;
- Monitor continuing construction of the ballpark, and plan and implement neighborhood and traffic improvements;
- Pursue development of Pier 40 for major commercial uses;
- Pursue development of remaining portions of the South Beach Harbor park and garage;
- Continue to work with park designer on Rincon Park.

Western Addition A-2

\$9,944,000

The program for the Western Addition, A-2 Redevelopment Project, executed in May, 1966, provided for the development of 5,586 new housing units, including affordable housing for seniors and families with children; rehabilitation of over 3,965 housing units; revitalization of the Nihonmachi and Fillmore business districts; and construction of new commercial buildings and community recreational and cultural facilities. Future activities will be directed toward the development of seven (7) remaining Agency-owned properties in the Project Area, and implementation of the Lower Fillmore Revitalization Project.

Programmatic goals for FY 1998-99 are as follows:

- Begin construction of 104 units, including 40% for moderate-income residents, at Alamo Square (Parcels 779-B & C);
- Begin construction of 56 units of market-rate housing and 7,500 square feet of office and commercial space at Van Ness Avenue and Myrtle Street (Parcel 714-A(1));

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **San Francisco Redevelopment Agency (SFRA)**

- Continue construction of 2,500-seat movie theater and 12,000 square foot jazz club at Fillmore and Eddy Streets (Parcel 732-A);
- Develop urban design plan for Fillmore Revitalization Project between Geary Boulevard and Turk Streets;
- Begin discussions with community residents and property owners regarding a Fillmore Street Business Improvement District.

Hunters Point

\$1,369,000

The Hunters Point Redevelopment Area is a new residential community with supporting infrastructure, commercial, educational and recreational uses. Prior to redevelopment, the 137-acre hill area consisted of vacant land and temporary housing built by the Federal Government during World War II and recently managed by the San Francisco Housing Authority. Approximately 1,719 units of new housing have been constructed and 122 units rehabilitated in the Project Area. An additional 27 units are under construction. Almost all of these units are for households earning low and moderate incomes.

Programmatic goals for FY 1998-99 are as follows:

- Complete construction and sales of 27 units of affordable ownership housing (Parcel EE-2);
- Begin construction of 14 units of affordable housing (Parcels X and FF-2);
- Complete reconstruction of Shoreview Park.

Federal Office Building (GSA Site 2)

\$276,000

In 1988, the City and the Federal government agreed in principal that the Federal General Services Administration (GSA) would construct a new Federal office building in San Francisco, to consolidate agencies that currently occupy leased quarters. The new Federal buildings will accommodate 2,500 employees in an anticipated gross building area of 675,000 square feet. To facilitate this major undertaking, the City agreed to donate a suitable building site at no cost to the Federal government. The City has completed financing the land acquisition by creating a redevelopment project area for the office site and completing a fiscal merger with the Golden Gateway and South of Market Project Areas.

A site at Seventh and Mission Streets, formerly occupied by the Greyhound Bus Terminal, has been identified by the City and the GSA as suitable. An Environmental Impact report for the site was certified in May, 1997, and a Redevelopment Plan and fiscal merger adopted in October, 1997.

Programmatic goals for FY 1998-99 are as follows:

- Complete negotiations with site owners for acquisition;
- Complete negotiations regarding donation of the site to the Federal Government.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
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1998-99

Department: **San Francisco Redevelopment Agency (SFRA)**

Golden Gateway

\$5,136,000

The 51-acre Golden Gateway Redevelopment Project began in the early 1960's, and has since generated 1,400 new housing units, an 840-room hotel, approximately 3,500,000 square feet of office/commercial space, and 12 acres of public parks and open space.

Programmatic goals for FY 1998-99 are as follows:

- Pursue development of additional open space along the west side of the Embarcadero roadway;
- Pursue additional development in and around Justin Herman Plaza.

India Basin Industrial Park

\$458,000

Prior to redevelopment, India Basin Industrial Park consisted of auto wrecking yards, vacant land, unimproved streets, and dilapidated buildings from San Francisco's old meat-packing industry. Unstable soil conditions, resulting from improper filling of the formerly marshy area, were a significant cause of blight and underdevelopment in much of the area. As part of the redevelopment program, substantial amounts of fill were imported to consolidate the soil and improve its bearing strength. With the construction of Bayview Plaza, a major commercial component of this light industrial park, all 91 acres have been improved under the redevelopment program. Completion of the project area has generated 9,000 jobs, with annual payroll of \$300 million.

Programmatic goals for FY 1998-99 are as follows:

- Pursue a strategy to develop a Business Improvement District;
- Provide assistance to small businesses in the Project Area.

South of Market

\$5,026,000

The South of Market Earthquake Recovery Redevelopment Project Plan was adopted in June 1990. The 63.4-acre Project Area is focused on Sixth Street, and is generally bounded by Mission, Harrison, Fifth and Seventh Streets. The initial objectives of the Project were to remedy the effects of the October 17, 1989 earthquake, which resulted in considerable loss of housing, displacement of businesses, and damage to the physical infrastructure of the area.

Programmatic goals for FY 1998-99 are as follows:

- Select developer for 42 units of affordable housing at 464 Natoma Street;
- Pursue other affordable housing development projects, both new construction and rehabilitation of existing buildings, for families and single individuals;

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **San Francisco Redevelopment Agency (SFRA)**

- Establish a rehabilitation loan program to assist private owners with rehabilitation of affordable housing units;
- Continue to fund technical assistance to small businesses through the SoMa Foundation;
- Continue to fund employment training and placement services through the Mission Hiring Hall/South of Market Employment Center;
- Begin construction of children's park in conjunction with the housing development at Minna and Russ Streets;
- Continue to work with the San Francisco Unified School District to develop a proposed elementary school and park at Harrison and Sherman Streets;
- Continue efforts to develop a new community health clinic.

Continuing Redevelopment Programs

Economic Development

\$1,781,000

The Agency's economic development programs are organized into three major categories:

(1) Economic Development Analysis & Programming; (2) Neighborhood Economic Development; and (3) Business Development.

Programmatic goals for FY 1998-99 are as follows:

- Analyze target industries to identify opportunities for project development;
- Continue to work on various neighborhood revitalization projects, including Lower Fillmore, 24th Street, and Chinatown;
- Implement business attraction and retention activities for various project areas.

Central Relocation Services

\$384,000

Created by the Board of Supervisors in 1968, Central Relocation Services (CRS) provides San Francisco with a single source of assuring compliance with Federal and State relocation directives as set forth by such regulations as the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (as amended) and the California Administrative Code. On a day-to-day basis, CRS provides technical rehousing assistance, administers benefits and provides counseling for households required to move by: (1) public supported actions; (2) emergencies such as fires; and (3) unsanitary and/or hazardous building conditions as cited by Department of Public Works (DPW) and Department of Public Health (DPH). To assist in all of the above, CRS administers San Francisco's Special Temporary Rent Assistance Program (STRAP) which provides rental payments, loans and grants to meet emergency needs.

Programmatic goals for FY 1998-99 are as follows:

- Provide rehousing assistance to a caseload of 1,338 displaced households;
- Provide relocation assistance to 35 businesses displaced primarily from the Moscone Center Expansion Project and Downtown Ferry Terminal Project.

City Wide Housing Program

\$15,196,000

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
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The Agency's role in housing includes: (1) financing projects through the Citywide Tax Increment Housing Program; (2) authorizing and administering development agreements for market-rate and affordable housing sites within established redevelopment Project Areas; (3) developing housing and residential land use plans for Survey Areas; and (4) administering the Federal Housing Opportunities for Persons with AIDS (HOPWA) program.

Programmatic goals for FY 1998-99 are as follows:

- Distribute \$500,000 in pre-development grants and loans;
- Acquire property for new construction and rehabilitation of affordable housing;
- Complete construction at three previously-funded HOPWA projects;
- Provide funding for development of additional housing for people with HIV/AIDS;
- Fund rental assistance and supportive services contracts.

South Beach Harbor

\$2,149,000

This program provides for the operating costs of South Beach Harbor.

Grand Total All Projects, Programs, and Study Areas

\$101,971,000

Comments:

1. As shown above, the Redevelopment Agency's proposed budget for FY 1998-99 of \$101,971,000 is \$22,674,000 less than the approved budget of \$124,645,000 for FY 1997-98. Hunters Point Shipyard and South of Market will make substantial investments in public improvements and business revitalization, drawing tax increment support of approximately \$7.4 million. The total investment in affordable housing is \$15.2 million, of which approximately \$4.9 million is supported from tax increment and other revenues.

2. The Redevelopment Agency advises that sufficient funds are available from prior years' budgets for Hunters Point, India Basin, Central Relocation Services, South Bayshore, Transbay Terminal and Mid-Market. Therefore, no new program funds have been budgeted in FY 1998-99. However, additional funds for personnel and administrative costs will be required to continue project activities for these redevelopment areas.

3. Last year the Budget Analyst reported that \$3,000,000 was provided for the construction of Jesse Plaza in Yerba Buena Center. However, construction is currently on hold pending a determination as to whether or not there will be underground parking built by the developer beneath Jessie Square. The Redevelopment Agency expects to resolve this issue by August 1998 so that the final design and construction can proceed during 1999.

4. \$9,500,000 remains budgeted for the acquisition of the Federal Office Building. In addition, \$50,000 has been budgeted for relocation activities.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
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Department: San Francisco Redevelopment Agency (SFRA)

5. Although the recommended total budget for FY 1998-99 is \$22,674,000 less than the current FY 1997-98 budget, the personnel budget of the SFRA for FY 1998-99 is proposed to increase by \$287,000, from \$9,722,000 to \$10,009,000, or 2.9 percent. A net decrease of 1.75 permanent FTE positions results from the deletion of 6.75 FTEs that are currently vacant and the addition of five new (5.0 FTEs) positions including four new permanent positions and one existing temporary position approved in October, 1997 for a three year period and annualized in the proposed administrative budget. The five new positions are as follows:

<u>Title</u>	<u>Full Time Equivalent (FTEs)</u>	<u>FY 1998-99 Budgeted Salary</u>
Planning Supervisor	1.00	\$81,920
Engineering, Construction Coordinator	1.00	89,392
Environmental Project Coordinator	1.00	74,234
Financial Systems Accountant	1.00	68,825
Chief, Economic Development Policy Advisor	<u>1.00</u>	<u>168,000</u>
Subtotals	5.00	\$482,371
Housing Allowance for Chief, Economic Development Policy Advisor		12,000
Fringe Benefits @ 22.0%		<u>106,129</u>
Totals		\$600,500

6. The Planning Supervisor position will be responsible for those projects that are currently survey areas including Mid-Market and Transbay. This will permit the deletion of a project manager's position that has been vacant during the last several months. Therefore, there is a justification for the position.

7. The Construction Coordinator position replaces a vacant Senior Architect position and is needed for project activities in areas with increased public improvement activities. To reflect the changing needs of the SFRA, the new position is justified.

8. The Environmental Project Coordinator position reflects the increasing involvement in project and survey areas where the existence of toxic contamination is a matter of great concern for clean up and redevelopment. Therefore, a position with an environmental issues and toxic remediation background is extremely valuable to coordinate complex procedures and obtain required information from and for various City, State and federal agencies. This position would also be involved in supporting environmental clean up and reuse issues for the City at Treasure Island.

9. The Financial Systems Accountant position is needed to provide technical accounting support to housing service providers, to prepare external regulatory reports related to the federal Housing Opportunities for Persons with AIDS (HOPWA) program, compliance monitoring and other duties. During our discussion with SFRA staff regarding this position, it was determined

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
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that work associated with the needs of the position can be accomplished by a 0.5 FTE. Therefore, the funding for the proposed position should be reduced by 50 percent or \$41,982 (\$34,412 salaries and \$7,570 fringe benefits).

10. The funding for the position Chief Economic Development Policy Advisor represents a continuation of a three year contract for temporary employment that was approved to begin October 16, 1997. SFRA staff advises that the City Attorney's Office informed the SFRA that Board of Supervisors approval was not necessary to amend the 1997-98 SFRA budget for \$163,840 in personnel and housing allowance costs for this new position since the status of the position was considered temporary. For FY 1998-99 a total of \$203,000 has been budgeted for salaries, fringe benefits and \$12,000 for a monthly housing allowance for this position. The annual salary for this position will increase by \$8,000 from \$160,000 to \$168,000 on October 16, 1998. Subsequently on October 16, 1999 the annual salary will increase by \$8,400 from \$168,000 to \$176,400.

11. SFRA staff has also advised that the 1998-99 recommended budget should be amended to add a 0.5 FTE for a part-time Administrative Analyst to implement the provisions of the City's Equal Benefits Ordinance. Because of the hundreds of contracts that the SFRA processes each year, the additional half-time position is justified. The position increases the Personnel Budget by \$30,988 (\$25,400 salaries and \$5,588 for fringe benefits).

13. The budget for Temporary Salaries (Temps and Recruitment) is increasing by \$44,836 or 12.3 percent from \$365,368 to \$410,204, or 500,449 with fringe benefits calculated at 22 percent. Temporary employments are used for planning services associated with new redevelopment survey areas and for negotiating renewal contracts for subsidized housing programs. During the current 1997-98 fiscal year, costs associated with temporary employments is projected to be 14.4 percent below budget costs which is 12.4 percent greater than the two percent attrition savings proposed for the 1998-99 budget. We believe that a 6.2 percent additional attrition savings for 1998-99 is reasonable, which represents 50 percent of the current attrition rate for Temporary Salaries. At a rate of 8.2 percent, the additional attrition savings for Temporary Salaries is \$31,028, with an associated \$6,827 reduction in fringe benefits.

14. The SFRA's recommended two percent attrition savings for budgeted permanent salaries totals \$159,230. Based on expenditures to date, a more reasonable expectation for attrition savings is 3.6 percent, which increases the current recommended attrition saving by 1.6 percent or \$127,384.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
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Department: **San Francisco Redevelopment Agency (SFRA)**

15. The SFRA advises that the fringe benefit calculation of 22.00 percent of permanent salaries totaling \$7,961,487 is incorrect and should be increased by 1.41 percent to 23.41 percent. The Budget Analyst concurs with the revised calculation of 23.41. A distribution of this revised fringe benefit calculation, the amount calculated and the difference in the fringe benefit calculation of \$112,257 to be added to the amended budget are as follows:

<u>Category</u>	<u>Percent</u>	<u>Amount</u>
Health Insurance	6.53	\$519,885
Dental Insurance	1.43	113,849
Group Life Insurance	0.24	19,108
Employer Taxes (FICA, Med. & SUI)	7.26	578,004
PERS (State Retirement)	6.97	554,916
Workers' Compensation	<u>0.98</u>	<u>78,022</u>
Totals	23.41	\$1,863,784
Currently Budgeted Fringe Benefit	<u>22.00</u>	<u>1,751,527</u>
Difference	1.41	\$112,257

16. SFRA acknowledges that budgeted funds for contractual services to the Urban Economic Development Corporation were overstated by \$100,000. Therefore, expenditures for \$100,000 in the Western Addition, A-2 budget should be deleted.

17. As required by the Board of Supervisors, the Redevelopment Agency is to submit quarterly variance reports on the progress of expending operating and project funds from current and prior year budgets. However, such reports were not submitted for the three completed quarterly periods for the current fiscal year. In response to an inquiry by the Budget Analyst, the SFRA Executive Director advises that those reports will be delivered to the Board of Supervisors during the week of June 15, 1998.

18. These quarterly reports provide the Board of Supervisors with an accounting of expenditures and remaining balances for current and prior year project activities. For example, SFRA reports that there are approximately \$50.9 million in remaining balances from prior year projects. At the request of the Budget Analyst, brief descriptions on the use of these balances have been submitted. These descriptions include proposed reprogramming of prior year budgets that have not been identified as current revenue resources for the 1998-99 recommended budget. These include (1) \$123,000 from Economic Development to some other unspecified project area, (2) \$53,916 from Mid Market to augment the same project, and (3) \$38,139 from Mission Bay to augment the same project. In total, \$215,055 is available from prior year budgets to augment the existing revenues for the 1998-99 recommended SFRA budget, thus reducing the anticipated 1998-99 budget deficit from \$8,317,000 to \$8,101,945.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
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19. The SFRA's Other Administrative Costs are proposed to increase by \$25,000, from \$1,995,000 to \$2,020,000. Based on a projection of actual costs and expenditures as of May 1, 1998 and adjusted by a cost of living increase, the Budget Analyst recommends a reduction in this budget in the amount of \$80,800 or four percent of the total Other Administrative Costs, from \$2,020,000 to \$1,939,200.

20. Ms. Tiza Peterson advises that the proposed budget would authorize the SFRA to claim a cumulative annual tax increment payment of \$31,589,000 per its statement of indebtedness to be filed by October 1, 1998. The cumulative annual tax increment as of FY 1997-98 was \$25,279,000, an increase of \$4,182,638 over the \$21,096,362 cumulative annual tax increment as of FY 1996-97. The increase requested for FY 1998-99 is \$6,310,000, which would raise the cumulative annual tax increment payment to \$31,589,000. However, the Redevelopment Agency will not need to request bond financing for any of the additional tax increment financing associated with its proposed cumulative annual tax increment payment, the first time this has occurred over the last several years.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
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1998-99

Department/Division

SFRA - San Francisco Redevelopment Agency

Object	Account Title	Position/	Number		Amount		Savings
		Equipment	From	To	From	To	

Personnel Budget

Personnel Costs-Permanent
Salaries

\$10,009,000 \$9,872,604 *

* The recommended reduction in Personnel Costs is the total of the following specific recommendations regarding individual classifications.

Financial Systems
 Accountant

1.00 0.50 68,824 34,412 \$34,412

The work associated with this position can be accomplished with 0.5 FTE, rather than 1.0 FTE.

Administrative Analyst

0.00 0.50 0 25,400 (\$25,400)

This part-time position is needed to implement the City's Equal Benefits Ordinance.

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1998-99

Department/Division

SFRA - San Francisco Redevelopment Agency

Page No.	Object	Account Title	Position/ Equipment	<u>Number</u>		<u>Amount</u>		<u>Savings</u>
			<u>Number</u>	<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
		Attrition Savings				(159,230)	(286,614)	127,38
		Reduction reflects increase of attrition savings from 2% to 3.6%.						
		Temporary Salaries				500,449	469,421	31,02
		Reduction reflects increase of attrition savings from 2% to 8.2%.						
		Mandatory Fringe Benefits				\$1,841,772	\$1,945,220	(103,44
		Includes addition of \$112,257 for revised fringe benefit calculation and reductions of \$8,809 for net reductions associated with decreases in salaries cited above .						
Subtotal - Personnel Budget								\$63,97

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division

SFRA - San Francisco Redevelopment Agency

Page No.	Object	Account Title	Position/ Equipment Number	Number From	To	Amount From	To	Savings
<u>Administrative Budget</u>								
		<u>Other Administrative Costs</u>				2,020,000	1,939,200	80,800
		Reduce administrative costs by 4% based on projection of actual expenditures.						
		<u>Subtotal - Other Administrative Costs</u>						<u>80,800</u>
<u>Project Budgets</u>								
		<u>Western Addition, A-2</u>				9,944,000	9,844,000	100,000
		Reduction in contractual services due to overstatement in budget.						
		<u>Mid-Market</u>				226,000	172,084	53,916
		Reduction in current year budget due to reprogramming of funds from prior year budget.						
		<u>Mission Bay</u>				499,000	460,861	38,139
		Reduction in current year budget due to reprogramming of funds from prior year budget.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
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1998-99

Department/Division

SFRA - San Francisco Redevelopment Agency

Page No. Object	Account Title	Position/ Equipment			Number		Amount		Savings
		Number	From	To	From	To	From	To	
	<u>Economic Development</u>						1,781,000	1,658,000	123,000
	Reduction in current year budget due to reprogramming of funds from prior year budget.								
	Subtotal - Project Budgets								\$315,050
	Total Recommended Reductions								\$459,831

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M I N U T E S

DEPARTMENTAL BUDGET HEARINGS
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

THURSDAY, JUNE 25, 1998 - 1:00 P.M.

VETERANS BUILDING
401 VAN NESS AVENUE
ROOM 410

MEMBERS: SUPERVISORS MABEL TENG, BARBARA KAUFMAN, GAVIN NEWSOM

CLERK: JONI BLANCHARD

Meeting Adjourned: 1:20 p.m.

1. File 98-0849. [Annual Budget] Consideration of the Annual Budget of the City and County of San Francisco for Fiscal Year 1998-99. (Mayor Willie L. Brown, Jr.)
(Consideration continued from 6/24/98)

SPEAKERS: Harvey Rose, Budget Analyst; See additional speakers below next to departments listed.

ACTION: Hearing held. Budget adopted as amended by Committee (See Final Budget Analyst Report showing recommendations of the Finance Committee dated 7/98 in file). Recommended to Board Meeting of 7/13/98.

NOTE: See Controller's report outlining budget changes by department; budget changes by department, program and object; and appropriation reserves detail. Also see budget recap with Finance Committee proposed funding additions.

Human Welfare

AGE	Commission on Aging - David Ishida
HRC	Human Rights Commission - Marivic Bamba
WOM	Commission on the Status of Women - Sonia Melara
DHS	Human Services - Andrea Gourdine

Community Health - Department of Public Health

HCN	Community Health Network - Dr. Mitchell Katz
HPH	Public Health - Dr. Mitchell Katz

GEN General City Responsibilities - Ed Harrington

CAP Capital Projects - Ed Harrington

2. File 98-0850. [Annual Appropriation Ordinance, 1998-1999] Annual Appropriation Ordinance appropriation all estimated receipts and all estimated expenditures for the City and County of San Francisco for fiscal year ending June 30, 1999; companion measure to Files 98-0849 and 98-0851. (Mayor Willie L. Brown, Jr.)

SPEAKERS: Harvey Rose, Budget Analyst; Ed Harrington, Controller.

ACTION: Hearing held. Recommended (reflecting Finance Committee actions) to Board Meeting of 7/13/98.

3. File 98-0851. [Annual Salary Ordinance, 1998-1999] Annual Salary Ordinance enumerating positions in the Annual Budget and Annual Appropriations Ordinance for the fiscal year ending June 30, 1999, continuing, creating or establishing these positions; enumerating and including therein all positions created by Charter or State law for which compensations are paid from City and County funds and appropriated in the Annual Appropriation Ordinance; authorizing appointments thereto; specifying and fixing the compensation and work schedules thereof; and authorizing appointments to temporary positions and fixing compensations therefor; companion measure to Files 98-0849 and 98-0850. (Mayor Willie L. Brown, Jr.)

SPEAKERS: Harvey Rose, Budget Analyst; Andrea Gourdine, Director, Human Resources Director.

ACTION: Hearing held. Recommended (reflecting Finance Committee actions) to Board Meeting of 7/13/98.

VOTE ON ALL ITEMS 3 - 0.

Meeting Adjourned: 2:35 p.m.

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7/98

CITY AND COUNTY



OF SAN FRANCISCO

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BOARD OF SUPERVISORS

BUDGET ANALYST

1390 Market Street, Suite 1025, San Francisco, CA 94102 (415) 554-7642
FAX (415) 252-0461

June 23, 1998

TO: Finance Committee

FROM: Budget Analyst *Recommended for meeting of*

SUBJECT: Recommendations of the Budget Analyst for Amendment of the Mayor's Fiscal Year 1998-99 Budget.

The Budget Analyst is providing the attached budget recommendations for departments listed below which are the subject of the Finance Committee budget review.

Finance Committee Hearing - June 25, 1998, 1:00 p.m.

Human Welfare

Page

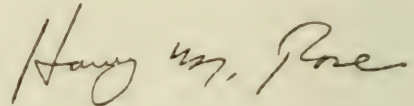
AGE Commission on Aging	1
HRC Human Rights Commission	5
WOM Commission on the Status of Women	8
DHS Human Services	10

Community Health - Department of Public Health

HCN Community Health Network	30
HPH Public Health	39

Community Health - Department of Public Health

GEN <u>General City Responsibilities</u>	50
CAP <u>Capital Projects</u>	56



Harvey M. Rose

cc: Supervisor Teng
President Kaufman
Supervisor Newsom
Supervisor Ammiano
Supervisor Bierman
Supervisor Brown
Supervisor Katz
Supervisor Leno
Supervisor Medina
Supervisor Yaki
Supervisor Yee
Clerk of the Board
Controller
Gail Feldman
Matthew Hymel
Stephen Kawa
Ted Lakey
Mayor

BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY

Department: AGE COMMISSION ON THE AGING

Budget Volume: IV
Budget Page: 1537

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$2,600,183	\$1,383,758	(\$1,216,425)	-46.8 %
Other Department Revenue				-
Dept. General Fund Revenue	12,334,172	13,779,172	1,445,000	11.7
Supplemental Appropriations				-
Total Sources	\$14,934,355	\$15,162,930	\$228,575	1.5 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$14,934,355	\$15,162,930	\$228,575	1.5 %
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	\$14,934,355	\$15,162,930	\$228,575	1.5 %
Supplemental Appropriations				-
Total Uses	\$14,934,355	\$15,162,930	\$228,575	1.5 %
Mayor's Listed Positions:				
Permanent	21.00	20.75	(0.25)	-1.2 %
Temporary				-
Attrition Savings	(1.29)	(1.30)	(0.01)	-0.8
Subtotal, Mayor's Budget	19.71	19.45	(0.26)	-1.3 %
Adjustments (FTE):				
Overtime				- %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE	19.71	19.45	(0.26)	-1.3 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **AGE Commission on the Aging**

Financial Data:

The Commission on the Aging proposed \$15,162,930 budget for FY 1998-99 is \$228,575 or 1.5 percent more than the original FY 1997-98 budget of \$14,934,355. The net increase from the revised FY 1997-98 budget to the proposed budget is \$227,005 or 1.5 percent.

Summary of Budgeted Activities:

	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
<u>Senior Citizen's Programs Fund</u>			
Services to Frail Elders	\$4,718,539	\$4,718,539	\$4,773,886
Keeping Seniors Independent	6,774,208	6,774,208	6,570,958
Access to Services for Seniors	919,065	919,065	982,155
Senior Central Development	892,360	892,360	1,145,452
Aging Program Administration	<u>1,630,183</u>	<u>1,631,733</u>	<u>1,690,479</u>
Total	<u>\$14,934,355</u>	<u>\$14,935,925</u>	<u>\$15,162,930</u>

Department Revenues:

In addition to General Fund revenue of \$1,383,758, this department is allocated \$8,847,827 in Parking Taxes, Federal grants of \$3,325,004, and State grants of \$1,606,341.

Department Personnel Changes:

The Commission on the Aging's FY 1998-99 budget includes one (0.75 FTE) new 1022 Administrator II at a cost of \$40,924 for salary and mandatory fringe benefits in FY 1998-99. This new position would provide management of information services (MIS) in order to meet a Federal mandate to provide an accurate count of the number of seniors receiving services, as well as helping to meet the MIS needs of the Commission on the Aging's contracted non-profit community organizations service providers. The Department reassigned one 1.0 FTE 2587 Health Worker III to the Department of Public Health. Accordingly, the total FTE count decreased from 19.71 in FY 1997-98 to 19.45 in FY 1998-99.

Department Expenditures:

The following four changes are occurring with contracted providers as the result of an incremental shift in program emphases related to the Commission on Aging's Five Year Priorities Plan:

**RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS**

1998-99

Department/Division: **AGE Commission on the Aging**

<u>Contractor</u>	<u>FY 97-98 Amount</u>	<u>FY 98-99 Amount</u>	<u>Change</u>
Mayor's Office of Housing	19,267	35,000	15,733
Planning for Elders in the Central City	20,000	50,000	30,000
Self Help for the Elderly	1,405,586	1,430,586	25,000
Senior Action Network	<u>26,250</u>	<u>75,000</u>	<u>48,750</u>
TOTAL	\$1,471,103	\$1,590,586	\$119,483

In FY 1998-99, the Commission on the Aging will administer a total of 41 contracts for services to the aging which total \$12,103,057, an increase of \$119,483 over the FY 1997-98 contracted total of \$11,983,574. Of the 41 total contracts, the four listed above are increasing to a total of \$1,590,586. The remaining 37 contracts, listed below, are with the same community based organizations that provided services for FY 1997-98 and the contract expenditures are the same as for FY 1998-99.

<u>Contractor</u>	<u>FY 1998-99 Amount*</u>	<u>Service Provided</u>
Asian Law Caucus	\$117,628	Legal Services
Bayview Hunters-Point Senior Center	163,043	Community Services
Bayview Network for Elders	20,412	Case Management
Bernal Heights Neighborhood Center	118,268	Case Management
Catholic Charities	196,580	Case Management
Centro Latino de San Francisco	275,595	Case Management
Episcopal Community Services	63,077	Case Management
Family Caregivers Alliance	8,000	Respite
Family Service Agency	401,844	Senior Centrals
Filipino American Council of San Francisco	115,188	Congregate Meals
Golden Gate Senior Services	198,069	Community Services
Goldman Institute on Aging	276,727	Linkages
In Home Supportive Services Consortium	37,436	In-Home Services
Jewish Community Center of San Francisco	412,973	Home Delivered Meals
John W. King Senior Center	52,304	Community Services
Kimochi Inc.	596,506	Home Delivered Meals
Korean Center Inc.	102,535	Congregate Meals
La Raza Centro Legal	119,922	Legal Services
Laguna Honda Hospital (Work Order)	23,845	Congregate Meals
Legal Assistance to the Elderly	464,097	Legal Services
Meals on Wheels of San Francisco, Inc.	1,659,336	Congregate Meals

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **AGE Commission on the Aging**

<u>Contractor</u>	<u>FY 1998-99 Amount*</u>	<u>Service Provided</u>
Mission Neighborhood Centers	142,947	Community Services
MUNI Accessible Services (Revenue Transfer)	609,642	Transportation
New Leaf Services for Our Community	90,994	Community Services
North of Market Senior Services	430,597	Case Management
Northern California Presbyterian Homes & Services	31,822	Community Services
On Lok Day Services	1,015,894	Senior Centrals
Reality House West	40,068	House
Russian American Community Services	144,905	Congregate Meals
San Francisco Adult Day Health Network	83,148	Adult Day Health Care
San Francisco Senior Center (Downtown)	139,298	Case Management
The Salvation Army	1,569,835	Congregate Meals
The San Francisco Food Bank	18,675	Brown Bag Meals
To be determined by RFP**	59,375	Alzheimer's Services
Visitation Valley Community Center	79,504	Community Services
Western Addition Senior Center	511,386	Home Delivered Meals
YMCA of San Francisco	<u>120,996</u>	Community Services
 Total	 \$10,512,471	

* Contract amounts for each contract are unchanged from FY 1997-98.

** In FY 1997-98, On Lok Day Services was the contract provider of Alzheimer's services. However, On Lok is not offering such services in FY 1998-99. The Commission on Aging plans to issue a Request for Proposal in the same contract amount, \$59,375.

In addition to the contract amounts, all 41 of the non-profit, community based organizations that provide contracted services for the Commission on Aging will receive up to a 3% cost of living adjustment in FY 1998-99, which total \$360,542, as previously approved by the Board of Supervisors. Another Commission on Aging budget increase is \$280,000 for Senior Centrals, a program to distribute information about senior services in ten separate neighborhood centers. There were two offsetting deletions of one time only funding allocated in FY 1997-98 including \$300,000 that was allocated to the Department's budget last year to fund the Citywide Naturalization Project and \$100,000 for the biannual audit of Commission on Aging non-profit contractors.

Recommendations:

None.

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: HRC HUMAN RIGHTS COMMISSION

**Budget Volume: IV
Budget Page: 1632**

	<u>FY 1997-98 Budget</u>	<u>Mayor's FY 1998-99 Budget</u>	<u>Change</u>	<u>Percent Change</u>
Mayor's Revenue Amounts:				
General Fund Unallocated	\$1,739,074	\$1,625,560	(\$113,514)	-6.5 %
Other Department Revenue	373,387	184,938	(188,449)	-50.5
Recoveries	1,810,088	2,026,412	216,324	12.0
Dept. General Fund Revenue				-
Supplemental Appropriations				-
Total Sources	\$3,922,549	\$3,836,910	(\$85,639)	-2.2 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$3,922,549	\$3,836,910	(\$85,639)	-2.2 %
Fac. Maint. / Capital Imp.				
Subtotal - Mayor's Budget	<u>\$3,922,549</u>	<u>\$3,836,910</u>	<u>(\$85,639)</u>	<u>-2.2 %</u>
Supplemental Appropriations				-
Total Uses	\$3,922,549	\$3,836,910	(\$85,639)	-2.2 %
Mayor's Listed Positions:				
Permanent	43.89	46.25	2.36	5.4 %
Temporary				-
Attrition Savings	<u>(1.15)</u>	<u>(1.13)</u>	<u>0.02</u>	<u>1.7</u>
Subtotal, Mayor's Budget	<u>42.74</u>	<u>45.12</u>	<u>2.38</u>	<u>5.6 %</u>
Adjustments (FTE):				
Overtime				- %
Supplemental Appropriations				-
Other Adjustments	<u>(0.73)</u>	<u>(0.73)</u>	<u>0.00</u>	<u>-</u>
Total FTE	42.01	44.39	2.38	5.7 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **HRC - Human Rights Commission (HRC)**

Financial Data:

The Human Rights Commission's proposed \$3,836,910 budget for FY 1998-99 is \$85,639 or 2.2 percent less than the original FY 1997-98 budget of \$3,922,549. The net decrease from the revised FY 1997-98 budget to the proposed budget is \$96,155 or 2.4 percent.

Summary of Budgeted Activities:

	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Human Rights Commission	<u>\$3,922,549</u>	<u>\$3,933,065</u>	<u>\$3,836,910</u>
Total	\$3,922,549	\$3,933,065	\$3,836,910

Department Revenues:

The proposed FY 1998-99 budget includes \$89,118 in grant revenues received through the Federal Community Development Block Grant Program. This represents an increase of \$2,031 or 2.3 percent over the FY 1997-98 level of \$87,087. Additionally, the proposed budget reflects an increase of \$216,324 or 12.0 percent in work order recoveries, from \$1,810,088 in FY 1997-98 to \$2,026,412 in FY 1998-99. These increased work order funds are for HRC staff to more closely monitor contracts for compliance with the City's Minority Business Enterprise regulations, as well as the Domestic Partner/Equal Benefits regulations.

Department Personnel Changes

The Mayor's proposed FY 1998-99 budget includes the net addition of 2.38 positions for the Human Rights Commission. The Department is proposing to continue three positions that were added during FY 1997-98 for an increase of \$77,122 in salaries and benefits and add two new positions for an increase of \$91,557 in salaries and benefits.

One of the new positions, a 2996 Human Rights Representative at 0.75 FTEs (1.0 FTEs annualized) has been funded by a federal grant for the past two fiscal years to provide work order services to the Department of Public Health (DPH). Prior to receiving federal funding for this position, funding was provided by the City's General Fund. The duties of this position include activities that provide technical assistance for the HIV/AIDS in the Workplace Program. The other new position, a 2992 Contract Compliance Officer I at 0.75 FTEs (1.0 FTE annualized) has been requested by DPH to provide additional staffing to review and monitor compliance of the Department's vendors and assist those vendors in modifying their existing policies to comply with City mandates regarding the provision

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **HRC - Human Rights Commission**

of equal benefits. The Budget Analyst recommends approval of the Department's requested two new positions, including one 1992 Contract Compliance Officer I and one 1996 Representative, Human Rights Commission.

The Department is also proposing to reclassify one 1978 Contract Compliance Officer II for one 1992 Contract Compliance Officer I for an increase of \$23,606 in salaries and benefits. This substitution has approved by the Department of Human Resources. As such, the Budget Analyst recommends approval of the upward substitution pending approval for this reclassification by. The Department's position changes are shown below.

Type of Position	Position	Increase/ (Decrease) in FTE
New	1996 Representative, Human Rights Commission	.75
New	1992 Contract Compliance Officer I	.75
Reclassification	1978 Contract Compliance Officer II	1.00
Reclassification	1992 Contract Compliance Officer I	(1.00)
Continuing	1446 Secretary II	.25
Continuing	1978 Contract Compliance Officer II	.36
Continuing	1996 Representative, Human Rights Commission	.25
Attrition Savings		.02
FTE Change		2.38

Department Expenditures:

The proposed budget provides for an increase in Professional and Specialized Services of \$128,819. This increase is the net affect between a reduction of \$57,363 in General Fund expenditures and increases of \$186,182 in Work order Fund expenditures. The Department has budgeted recoveries for the additional work order expenditures. There is also a net increase in Services of other Departments of \$11,749 due to offsetting increases and decreases in this expenditure category. However, with reductions that have been taken in other expenditure categories, the overall non-personnel expenditures have decreased.

Recommendations

None

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: WOM COMMISSION ON THE STATUS OF WOMEN

**Budget Volume: IV
Budget Page: 1648**

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$1,774,545	\$2,170,444	\$395,899	22.3 %
Other Department Revenue	161,000	264,000	103,000	64.0
Recoveries	21,500		(\$21,500)	-100.0
Dept. General Fund Revenue	14,000	16,000	2,000.00	14.3
Supplemental Appropriations				-
Total Sources	\$1,971,045	\$2,450,444	\$479,399	24.3 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$1,971,045	\$2,450,444	\$479,399	24.3 %
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	\$1,971,045	\$2,450,444	\$479,399	24.3 %
Supplemental Appropriations				-
Total Uses	\$1,971,045	\$2,450,444	\$479,399	24.3 %
Mayor's Listed Positions:				
Permanent	6.50	7.25	0.75	11.5 %
Temporary				-
Attrition Savings				-
Subtotal, Mayor's Budget	6.50	7.25	0.75	11.5 %
Adjustments (FTE):				
Overtime				- %
Supplemental Appropriations				-
Other Adjustments	(0.20)	(0.08)	0.12	61.7
Total FTE	6.30	7.17	0.87	13.9 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: WOM - Commission on the Status of Women

Financial Data:

The Commission on the Status of Women's proposed \$2,450,444 budget for FY 1998-99 is \$479,399 or 24.3 percent more than the original FY 1997-98 budget of \$1,971,045. The net increase from the revised FY 1997-98 budget to the proposed budget is \$477,890 or 24.2 percent.

Summary of Budgeted Activities:

<u>Activity</u>	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Children's Baseline	\$165,997	\$165,997	\$165,997
Commission on Status of Women	1,658,048	1,659,557	2,036,447
Domestic Violence Program	161,000	161,000	264,000
Departmental Transfer Adjustment	<u>(14,000)</u>	<u>(14,000)</u>	<u>(16,000)</u>
TOTAL	\$1,971,045	\$1,972,554	\$2,450,444

Department Revenues:

The Commission on the Status of Women's projected revenue from marriage license fees of \$200,000 for FY 1998-99 is an increase of \$25,000, or 14.3 percent, over FY 1997-98. The Domestic Violence Program Fund is credited with 50 percent of the \$69 fee, or \$34.50, per marriage license fee collected in San Francisco.

Department Personnel Changes:

The Commission on the Status of Women is proposing one new 2998 Representative, Commission on the Status of Women, to implement the Convention for the Elimination on Discrimination Against Women (CEDAW) legislation, as previously approved by the Board of Supervisors. In FY 1998-99, the new position will be 0.75 FTE at a cost of \$44,222. The Budget Analyst recommends approval of this position.

Department Expenditures:

The major increases in the Mayor's proposed budget are: (1) \$61,142 for Permanent Salaries, Mandatory Fringe Benefits, and various step and cost of living adjustments, and (2) \$50,000 in Professional Services needed to fund a contract for Gender Analysis Study, as required under the CEDAW, and (3) increases in grants to community programs for the prevention of violence against women totaling \$250,000, which represent over 50 percent of the \$479,399 increase in the Department's budget.

Recommendations:

None

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: DHS HUMAN SERVICES

**Budget Volume: IV
Budget Page: 1573**

	<u>FY 1997-98 Budget</u>	<u>Mayor's FY 1998-99 Budget</u>	<u>Change</u>	<u>Percent Change</u>
Mayor's Revenue Amounts:				
General Fund Unallocated	\$99,121,425	\$113,807,691	\$14,686,266	14.8 %
Other Department Revenue	213,050,252	250,522,361	37,472,109	17.6
Recoveries	154,765	5,002,610	4,847,845	3132.4
Dept. Transfer Adjustment	-726,311	-931,999	-205,688	-28.3
Supplemental Appropriations	10,851,890		-10,851,890	-100.0
Total Sources	\$322,452,021	\$368,400,663	\$45,948,642	14.2 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$311,269,443	\$368,375,663	\$57,106,220	18.3 %
Dept. Transfer Adjustments	305,688		(\$305,688)	-100.0
Fac. Maint. / Capital Imp.	25,000	25,000		
Subtotal - Mayor's Budget	\$311,600,131	\$368,400,663	\$56,800,532	18.2 %
Supplemental Appropriations	10,851,890		(10,851,890)	-100.0
Total Uses	\$322,452,021	\$368,400,663	\$45,948,642	14.2 %
Mayor's Listed Positions:				
Permanent	1,458.40	1,620.00	161.60	11.1 %
Temporary	2.20	2.20		
Attrition Savings	(62.38)	(66.78)	(4.40)	-7.1
Subtotal, Mayor's Budget	1,398.22	1,555.42	157.20	11.2 %
Adjustments (FTE):				
Overtime	4.17	4.65	0.48	11.6 %
Supplemental Appropriations				-
Other Adjustments	(2.93)	(2.80)	0.13	4.4
Total FTE	1,399.46	1,557.27	157.81	11.3 %

**RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS**

1998-99

Department/Division: DHS - Department of Human Services

Financial Data:

The Department of Human Services' proposed \$368,375,663 operating budget for FY 1998-99 is \$57,106,220 or 18.3 percent more than the original FY 1997-98 budget of \$311,269,443. The net increase from the revised FY 1997-98 budget to the proposed budget is \$45,981,777 or 14.3 percent.

Summary of Budgeted Activities:

	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
<u>Administration</u>			
CalWORKS	\$6,142,913	\$9,635,078	\$48,084,300
Food Stamps	7,724,993	7,519,442	7,325,853
Indigent Adults	9,328,356	10,003,227	16,906,312
Medi-Cal	10,850,124	10,851,598	11,182,013
Family & Children Services	22,769,305	23,291,839	25,988,613
Adult Services	16,904,411	16,047,371	19,835,670
Homeless Services	9,895,478	11,060,584	11,729,656
Administrative Support	29,098,601	31,940,649	33,915,545
Program Support	6,211,292	6,529,072	6,869,860
HmnWlf & Nghbrhd Dev	200,000	200,000	0
Refugee Resettlement	0	1,235,553	1,235,553
Children's Baseline Services	4,221,281	4,221,281	5,006,572
Subtotal - Administration	\$123,346,754	\$132,535,694	\$188,079,947
<u>Aid Payments</u>			
CalWORKS Payments	\$61,759,993	\$61,759,993	\$50,021,303
General Assistance	46,444,108	46,444,108	45,890,027
Foster Care Payments	46,882,095	46,882,095	49,007,553
Adoption Aid	6,008,747	6,008,747	6,778,204
In-home Support Services	19,214,757	19,494,757	21,930,184
Day Care Assistance	4,008,100	5,580,785	2,895,603
Other Aid Expenditures	3,604,889	3,687,707	3,772,842
Subtotal - Aid Payments	\$187,922,689	\$189,858,192	\$180,295,716
Total Operating Budget	\$311,269,443	\$322,393,886	\$368,375,663
Facilities Maintenance	25,000	970,090	25,000
Dept. Transfer Adjustment	305,688	2,377,089	0
Total Budget	\$311,600,131	\$325,741,065	\$368,400,663

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: DHS - Department of Human Services

Department Revenues

The Department of Human Services' projected revenues (including realignment revenues) of \$250,522,361 for FY 1998-99 represent a net increase of \$37,472,109 or 17.6 percent from the FY 1997-98 original budgeted revenues of \$213,050,252. DHS's General Fund allocation is increasing by \$19,534,111, which represents 34.2 percent of the \$57,106,220 increase in DHS's operating budget. The General Fund portion of DHS's budget will be \$118,810,301 for FY 1998-99, or 32.2 percent of overall expenditures.

Department Overview:

In order to comply with State law, DHS implemented CalWORKS on April 1, 1998. CalWORKS is the State of California's program for implementation of welfare reform and replaced the AFDC and GAIN programs. CalWORKS established new eligibility requirements, time limits for participation and work participation requirements. The former AFDC population of approximately 8,900 cases must be enrolled into CalWORKS by December 31, 1998. In FY 1998-99, DHS will continue implementation of CalWORKS through expanded intensive case management and supportive services, including child care, substance abuse treatment and job training, and the creation of additional neighborhood career centers.

In addition, significant changes have been made to the Indigent Adults (IA) Program (also known as General Assistance), including the creation of three new divisions within IA. Cash Assistance Linked to Medi-Cal (CALM) and Supplemental Security Income Pending (SSIP) will provide cash assistance to the elderly and disabled who are not currently eligible for other State or Federal Programs. The PAES (Personal Assistance Employment Services) division will provide case management and support services to help clients become self-sufficient. Clients who are ineligible for CALM, SSIP or PAES will still receive General Assistance.

Other initiatives for FY 1998-99 in the proposed budget include: a) the development of CalWIN, the new State-mandated system for tracking and reporting data on welfare programs; (b) implementation and maintenance of Child Welfare System (CWS)/Case Management System (CMS), another State-mandated system for tracking and reporting child welfare caseload information; (c) the expansion of Adult Protective Services through a significant increase in State funding; (d) the improvement of benefits and wages for independent providers of In-Home Supportive Services (IHSS); (e) the expansion of services for the homeless, including rental subsidies, referral services, additional shelters, etc.; (f) the addition of two new Family Resource Centers, which provide family preservation services such as counseling, parenting support and substance abuse services; and (g) the expansion of childcare services.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: DHS - Department of Human Services

Department Expenditures

In December, 1997, the Board of Supervisors approved a supplemental appropriation ordinance and an amendment to the Annual Salary Ordinance in the amount of \$10,851,890 to fund welfare reform programs, expand adoption and homeless services and improve DHS facilities, and to create 258 new positions and delete 149 positions. While proposed expenditures for FY 1998-99 are increasing by \$57,106,220 (18.3 percent), approximately \$18.6 million of this increase represents the annualization of approximately \$5.9 million in expenditures (the supplemental amount of \$10.9 million less one-time costs) included in the supplemental appropriation ordinance. Specifically, that supplemental appropriation ordinance included funds for the following programs and services, which will be continued in FY 1998-99 (amounts shown are annualized):

- \$7.7 million for 109 new positions, as follows: (a) a net increase of 102 positions in CalWORKS; (b) the deletion of 11 positions in Food Stamps; (c) a net increase of 59 positions in Indigent Adults; (d) six new positions in Family and Children Services (FCS); (e) a net increase of one position in Homeless Services; (f) a net increase of 18 positions in Administrative Support; (g) the deletion of 67 positions in Employment and Training Services; and (h) one new position Program Support;
- \$5.4 million for social service contracts, including vocational training, needs assessment, Work-for-Wages, Food Bank/Immigrant Assistance (provides food to immigrants who have been denied Food Stamps) for CalWORKS clients, client advocates and ombudspersons for CalWORKS and IA clients, Family Resource Centers, additional permanent housing and shelter beds for Homeless Services, and outreach;
- \$4.0 million for services of other departments, including mental health and substance abuse services for CalWORKS and IA clients, rent subsidies and support services for the homeless (through the Department of Public Health), paid Work Experience Program (WEP) slots in other City departments for IA clients, and other services;
- \$590,000 for other non-personal services, including training, technical assistance, pamphlets, newsletters, Fast Passes for staff home visits, and the expansion of an existing security contract;
- \$560,000 to annualize a \$0.65 per hour wage increase for IHSS independent providers; and
- \$330,000 for ancillary services (e.g. work uniforms, interview clothes, MUNI Fast Passes, etc.) for CalWORKS clients.

A description of the proposed new and expanded services for FY 1998-99 are described below, by program.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: DHS - Department of Human Services

CalWORKS

DHS is requesting six new positions for FY 1998-99 for CalWORKS in order to continue implementation of welfare reform, as follows:

CLASS	TITLE	<u>MAX</u>	<u>NO. OF</u>	<u>ANNUAL</u>	<u>FY 98-99</u>	<u>CHANGE IN</u>
		<u>ANNUAL</u>		<u>COST @ MAX</u>	<u>CHANGE</u>	<u>FY 1998-99</u>
		<u>SALARY</u>	<u>POSITIONS</u>	<u>SALARY</u>	<u>IN FTEs</u>	<u>BUDGET</u>
1426	SENIOR CLERK TYPIST	\$ 38,654	3.0	\$ 115,962	3.00	\$ 98,155
2917	PROGRAM SUPPORT ANALYST	\$ 66,268	2.0	\$ 132,536	2.00	\$ 111,772
9704	EMPLOYMENT & TRAINING	\$ 52,931	1.0	\$ 52,931	1.00	\$ 54,254
	SPECIALISTS III					
	TOTAL - SALARIES			\$ 301,429		\$ 264,181
	FRINGE BENEFITS (25.1%)			\$ 75,659		\$ 66,309
	TOTAL - CALWORKS		6.0	\$ 377,088	6.00	\$ 330,490

The three 1426 Senior Clerk Typists are being requested as receptionists for DHS's three neighborhood career centers. The two 2917 Program Support Analysts will implement and coordinate new grievance and childcare procedures. The 9704 Employment & Training Specialist III will supervise the 30 clients hired as Public Service Trainees to gain paid work experience within the public sector. DHS reports that the net General Fund cost of adding these five new positions, net of Federal and State subventions, would be \$115,672 in FY 1998-99. These six positions have been approved by the Board of Supervisors in the Interim Appropriation Ordinance and Interim Salary Ordinance.

Other proposed increases (totaling \$24.3 million) for CalWORKS include:

- \$23.15 million (\$20 million of which was placed on reserve by the Controller), funded entirely by new State revenue, for child care services through a contract with the Children's Council. This amount is partially offset by approximately \$1.5 million in reductions in day care assistance payments, as all State child care funds are now included under the Children's Council contract;
- \$2.5 million for social service contracts, including child care recruitment and training (\$64,000), refugee services (funded by \$1.2 million in new Federal revenue) and Welfare-to-Work services for clients with little job experience and high barriers to employment (\$1.2 million, placed on reserve by the Controller);
- \$137,000 for child care services for CalWORKS clients at the career centers through a Recreation and Park Department (RPD) work order that would access RPD's child care provider pool.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
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Department/Division: **DHS - Department of Human Services**

Indigent Adults (IA)

DHS is requesting 15 new positions (12.0 FTE) for FY 1998-99 for the Indigent Adults Program, as follows:

<u>CLASS</u>	<u>TITLE</u>	<u>MAX</u> <u>ANNUAL</u> <u>SALARY</u>	<u>NO OF</u> <u>POSITIONS</u>	<u>ANNUAL</u> <u>COST @ MAX</u> <u>SALARY</u>	<u>FY 98-99</u> <u>CHANGE</u> <u>IN FTEs</u>	<u>CHANGE</u> <u>IN FY 1998-</u> <u>99 BUDGET</u>
1426	SENIOR CLERK TYPIST	\$ 38,654	2.0	\$ 77,308	1.50	\$ 50,305
1820	JUNIOR ADMINISTRATIVE ANALYST	\$ 42,152	1.0	\$ 42,152	1.00	\$ 35,661
1824	PRINCIPAL ADMINISTRATIVE ANALYST	\$ 73,419	1.0	\$ 73,419	1.00	\$ 60,395
9703	EMPLOYMENT & TRAINING SPECIALISTS	\$ 51,678	5.0	\$ 258,390	3.75	\$ 174,194
9704	EMPLOYMENT & TRAINING SPECIALISTS III	\$ 52,931	4.0	\$ 211,723	3.00	\$ 161,599
9705	EMPLOYMENT & TRAINING SPECIALISTS IV	\$ 58,360	2.0	\$ 116,719	1.75	\$ 104,682
TOTAL - SALARIES				\$ 779,711		\$ 586,836
FRINGE BENEFITS (25.1%)				\$ 195,708		\$ 147,296
TOTAL - INDIGENT ADULTS			15.0	\$ 975,419	12.00	\$ 734,132

The 1820 Junior Administrative Analyst and the 1824 Principal Administrative Analyst, which are funded entirely by State and Federal Temporary Assistance for Needy Families (TANF) revenues, will administer a State Non-Custodial Parent (NCP) Pilot Program, which will provide job training to non-custodial parents in order to increase their ability to pay child support. These two positions have been approved by the Board of Supervisors in the Interim Appropriation Ordinance and Interim Salary Ordinance.

The other 13 requested new positions (10.0 FTE) are part of DHS's implementation of welfare reform. One 9705 Employment Specialist IV and one 1426 Senior Clerk Typist would provide complete staffing of DHS's PAES employment units. The four 9704 Employment Specialist III positions would provide job development and employment assessments for PAES clients. One 9705 Employment Specialist IV, the five 9703 Employment Specialist II positions and one 1426 Senior Clerk Typist would provide group orientations and employment plans for PAES participants.

Other proposed increases (totaling \$2.0 million) for the Indigent Adults Program include:

- Approximately \$1.0 million for social service contracts, including State-funded vocational and grievance services for the above-cited Non-Custodial Parent (NCP) Pilot Program (\$87,500), other vocational rehabilitation and training services (\$770,000) and a skills workshop for PAES clients (\$150,000);
- \$1.0 million for substance abuse and mental health services for PAES clients.

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Department/Division: DHS - Department of Human Services

Family and Children Services (FCS)

DHS is requesting 10.5 new positions (9.25 FTE) for FY 1998-99 for Family and Children Services, as follows:

<u>CLASS</u>	<u>TITLE</u>	<u>MAX</u> <u>ANNUAL</u> <u>SALARY</u>	<u>NO. OF</u> <u>POSITIONS</u>	<u>ANNUAL</u> <u>COST@ MAX</u> <u>SALARY</u>	<u>FY 98-99</u> <u>CHANGE</u> <u>IN FTEs</u>	<u>CHANGE</u> <u>IN FY 1998-</u> <u>99 BUDGET</u>
1003	OPERATOR - SENIOR	\$ 43,378	2.0	\$ 86,756	1.50	\$ 65,067
1363	SPECIAL ASSISTANT IV	\$ 38,289	1.0	\$ 38,289	1.00	\$ 31,607
1369	SPECIAL ASSISTANT X	\$ 59,221	1.0	\$ 59,221	1.00	\$ 48,729
1426	SENIOR CLERK TYPIST	\$ 38,654	1.0	\$ 38,654	0.75	\$ 24,539
2904	SOCIAL SERVICE TECHNICIAN	\$ 40,951	1.0	\$ 40,951	1.00	\$ 35,224
2905	SENIOR ELIGIBILITY WORKER	\$ 48,363	0.5	\$ 24,182	0.50	\$ 24,787
2916	SOCIAL WORK SPECIALIST	\$ 54,001	1.0	\$ 54,001	0.75	\$ 41,514
2940	CHILD WELFARE WORKER	\$ 58,934	1.0	\$ 58,934	1.00	\$ 60,407
2944	CHILD WELFARE SUPERVISOR	\$ 66,268	1.0	\$ 66,268	0.75	\$ 41,914
2948	SOCIAL SERVICES SECTION MANAGER	\$ 74,516	1.0	\$ 74,516	1.00	\$ 76,379
TOTAL - SALARIES				\$ 541,771		\$ 450,167
FRINGE BENEFITS (25.1%)				\$ 135,984		\$ 112,992
TOTAL - FAMILY & CHILDREN SERVICES			10.5	\$ 677,755	9.25	\$ 563,159

The 1363 Special Assistant IV and the 1369 Special Assistant X positions would administer the Independent Living Skills (ILS) Program, which was previously accomplished by a contract. The 2904 Social Service Technician would check on child welfare cases in the juvenile court system, previously accomplished by a work order to the Juvenile Probation Department. The 2948 Social Services Section Manager (100 percent State-funded), which has been funded with temporary salaries since July, 1997, is involved in implementing the State's CWS/CMS computer system for child welfare. The 2940 Child Welfare Worker, a grant-funded position, would provide coordinated services to mothers in both the criminal justice and child welfare systems through a work order from the Adult Probation Department. The 2905 Senior Eligibility Worker (0.5 FTE), which has been funded with temporary salaries since January, 1998, will coordinate eligibility for foster youth on probation for the Juvenile Probation Department. These 5.5 positions have been approved by the Board of Supervisors in the Interim Appropriation Ordinance and Interim Salary Ordinance.

The other five requested new positions (3.75 FTE), consisting of two 1003 Senior IS Operators, one 1426 Senior Clerk Typist, one 2916 Program Specialist and one 2944 Child Welfare Worker Supervisor, are entirely State funded and are needed for the implementation of the State-mandated child welfare computer system.

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Department/Division: DHS - Department of Human Services

Other proposed increases (totaling \$2.0 million) for Family and Children Services include:

- \$608,000 for professional service contracts with the State related to implementation of the CWS/CMS computer system;
- Approximately \$290,000 for social service contracts, consisting of \$500,000 for the opening of two new Family Resource Centers, offset by reductions of \$116,000 in Federal funding for Family Preservation contracts and a reduction of \$94,000 in the Independent Living Skills (ILS) contract, the administration of which, as noted above, is being brought in-house;
- \$600,000 to develop new child care sites to meet the large increase in demand for child care services resulting from the implementation of CalWORKS;
- \$472,000 for assistance, including child care for non-CalWORKS low-income families (\$200,000), other child care assistance and special needs (\$155,000) and court-mandated local fares for foster children and their parents (\$117,000);
- A net increase of \$26,000 for services of other departments, consisting of an additional \$67,000 for a work order with the DPH for mental health services for seriously emotionally disturbed children in the foster care system, a new \$25,000 work order with the Department of Electricity and Telecommunications (DET) for changes to wiring needed for CWS/CMS, and a reduction of \$66,000 for services provided by Juvenile Probation which will now be performed in-house (as noted above).

Adult Services

In FY 1998-99, DHS will receive a State augmentation grant in the amount of approximately \$3.8 million for Adult Protective Services (APS). DHS proposes to utilize these funds for additional staff, equipment and social service contracts. This augmentation grant has been placed on reserve by the Controller, pending certification of revenue.

DHS is requesting 27 new positions (20.25 FTE) for FY 1998-99, to be fully funded by the State augmentation grant. These positions will enable DHS to form two new APS units:

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Department/Division: DHS - Department of Human Services

<u>CLASS</u>	<u>TITLE</u>	<u>MAX ANNUAL SALARY</u>	<u>NO. OF POSITIONS</u>	<u>ANNUAL COST @ MAX SALARY</u>	<u>FY 98-99 CHANGE IN FTEs</u>	<u>CHANGE IN FY 1998-99 BUDGET</u>
1426	SENIOR CLERK TYPIST	\$ 38,654	3.0	\$ 115,962	2.25	\$ 73,617
2904	SOCIAL SERVICE TECHNICIAN	\$ 40,951	2.0	\$ 81,902	1.50	\$ 51,966
2940	CHILD WELFARE WORKER	\$ 58,934	19.0	\$ 1,119,742	14.25	\$ 708,313
2944	CHILD WELFARE SUPERVISOR	\$ 66,268	2.0	\$ 132,536	1.50	\$ 83,829
2948	SOCIAL SERVICES SECTION MANAGER	\$ 74,516	1.0	\$ 74,516	0.75	\$ 47,111
TOTAL - SALARIES				\$ 1,524,658		\$ 964,836
FRINGE BENEFITS (25.1%)				\$ 382,689		\$ 242,174
TOTAL - ADULT SERVICES				27.0 \$ 1,907,347	20.25	\$ 1,207,010

The State augmentation grant also includes an additional \$71,000 for overtime (\$36,000) and premium pay (\$35,000) in order to begin providing 24-hour emergency response to APS crises.

In addition, six positions would be reassigned from Adult Services to DPH to reflect a reconfiguration of the Supplemental Security Income (SSI) Advocacy Unit, resulting in a reduction of \$322,000 in DHS's budget.

Other proposed non-personnel increases for Adult Services (totaling \$10.3 million, including \$2.5 million from the State augmentation grant) are as follows:

- \$8.0 million to provide health benefits to the approximately 4,500 independent providers of In-Home Supportive Services (IHSS) through the San Francisco Health Plan. DPH would work order approximately \$4.8 million to DHS. DHS, through a contract with the IHSS Public Authority, would then redirect these funds into Health Plan insurance premiums. DHS could then claim this expense in order to obtain an additional \$3.2 million in Federal revenue, which would also be paid to the Health Plan (through the IHSS Public Authority) to provide health care services for IHSS workers;
- Approximately \$1.5 million for social service contracts related to the State APS grant, including case management, mental health, medical, legal and other services;
- \$1.0 million for equipment purchases (an increase of \$679,000 from FY 1997-98) for computers, vehicles and other start-up equipment related to the State APS grant;
- \$160,000 for services of other departments, consisting of \$95,000 (based on increased costs) for DPH to provide medical evaluations for the IHSS Program, and \$65,000 in State APS funds for the Public Guardian to provide services to elderly and disabled clients.

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Department/Division: DHS - Department of Human Services

Homeless Services

DHS is requesting one new position for Homeless Services for FY 1998-99, as follows:

CLASS	TITLE	<u>MAX</u>	<u>NO OF</u>	<u>ANNUAL</u>	<u>FY 98-99</u>	<u>CHANGE IN</u>
		<u>ANNUAL</u>		<u>COST @ MAX</u>	<u>CHANGE</u>	<u>FY 1998-99</u>
		<u>SALARY</u>	<u>POSITIONS</u>	<u>SALARY</u>	<u>IN FTEs</u>	<u>BUDGET</u>
1822	ADMINISTRATIVE ANALYST	\$ 55,332	1.0	\$ 55,332	1.00	\$ 46,656
	FRINGE BENEFITS (25.1%)			\$ 13,888		\$ 11,711
	TOTAL - HOMELESS PROGRAM		1.0	\$ 69,220	1.00	\$ 58,367

This 1822 Administrative Analyst would be responsible for coordinating rental assistance grants, which was previously performed under a contract. This new position has been approved by the Board of Supervisors in the Interim Appropriation Ordinance and Interim Salary Ordinance.

The proposed budget also includes an increase of \$696,000 for social service contracts, consisting of rent subsidies for homeless job seekers in the PAES Program (\$328,000), emergency rental subsidies for families participating in CalWORKS welfare-to-work activities (\$214,000), and coordinated emergency referral services for indigent adults (\$350,000), offset by reductions in other social service contracts (\$196,000).

Administrative/Program Support

DHS is requesting three new positions (2.5 FTE) for Administrative/Program Support for FY 1998-99, as follows:

CLASS	TITLE	<u>MAX</u>	<u>NO OF</u>	<u>ANNUAL</u>	<u>FY 98-99</u>	<u>CHANGE</u>
		<u>ANNUAL</u>		<u>COST @ MAX</u>	<u>CHANGE</u>	<u>IN FY 1998-</u>
		<u>SALARY</u>	<u>POSITIONS</u>	<u>SALARY</u>	<u>IN FTEs</u>	<u>99 BUDGET</u>
1374	SPECIAL ASSISTANT XV	\$ 84,407	1.0	\$ 84,407	1.00	\$ 76,551
2917	PROGRAM SUPPORT ANALYST	\$ 66,268	1.0	\$ 66,268	0.75	\$ 41,914
2913	PROGRAM SPECIALIST	\$ 54,001	1.0	\$ 54,001	0.75	\$ 34,150
	TOTAL - SALARIES			\$ 204,676		\$ 152,615
	FRINGE BENEFITS (25.1%)			\$ 51,374		\$ 38,306
	TOTAL - ADMINISTRATIVE/PROGRAM SUPPORT		3.0	\$ 256,050	2.50	\$ 190,921

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The 1374 Special Assistant XV position was reassigned from the Mayor's Office to focus on the special needs of children in the CalWORKS Program, and has been approved by the Board of Supervisors in the Interim Appropriation Ordinance and Interim Salary Ordinance. The 2917 Program Support Analyst, a State-funded position, would assist in the implementation of CalWIN, the new State-mandated automated welfare data system. The 2913 Program Specialist, also a State-funded position, would be responsible for increasing the size of DHS's Quality Control (QC) sample to a level acceptable to the State.

Other proposed increases (totaling \$2.8 million) for Administrative/Program Support include:

- \$544,000 for professional service contracts, including \$346,000 for DHS's security contract (based on increased after-hour client services and sites), and \$398,000 for systems consulting services related to the new CalWIN system and the above-noted Non-Custodial Parent (NCP) Pilot Project, offset by \$200,000 in reductions for one-time costs;
- \$897,000 for other operating expenses, including travel, rent, furniture, materials and supplies, based on actual costs, the addition of new employees and new DHS sites;
- \$785,000 for equipment (an increase of \$400,000 over FY 1997-98), including computers, software and automated systems;
- A net increase of \$1.06 million for services of other departments, primarily reflecting increased costs for the City Attorney, janitorial services, ISD services, workers compensation, the DA's welfare fraud unit, and Purchasing.

Aid Payments

The proposed budget contains the following changes in estimated aid payments, resulting in a net reduction in aid payments of \$8.5 million for FY 1998-99:

- A reduction in CalWORKS aid payments (formerly AFDC) by \$11.8 million, from \$61.8 million in to \$50.0 million, based on a projected 8.7 percent reduction in the caseload (from an average of 9,050 per month to 8,269 per month);
- Reduced refugee aid payments from \$1.6 million to \$420,000 (a reduction of \$1.2 million) as a result of declining usage;

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- A reduction of \$554,000 in General Assistance payments, from \$46.4 million to \$45.9 million, based on a continuing decline in the GA caseload (from an average of 12,872 cases per month to 11,762 cases per month). As previously noted, GA has been divided into four subprograms as part of welfare reform implementation: County Assistance Linked to Medi-Cal (CALM), Supplemental Security Income Pending (SSIP), Personal Assisted Employment Services (PAES) and GA. Clients enrolled in the CALM, SSIP and PAES programs will continue to receive a grant of \$345 per month. GA clients who do not participate in one of these three programs will have their grant reduced to \$279 per month. DHS estimates that, for FY 1998-99, approximately 1,714 clients (15 percent) will participate in CALM, 2,110 clients (18 percent) in SSIP and 7,938 clients (67 percent) in PAES/GA. DHS assumes that no clients will be moved to the GA program (with a reduced monthly grant of \$279) during the first fiscal year.
- Adoption aid payments would increase by \$769,000 or by 13 percent, from \$6.0 million to approximately \$6.8 million, based on an expected increase in adoptions as DHS enhances its efforts to help foster care children exit foster care;
- Foster care aid payments would increase by \$2.1 million or by 4.5 percent, from \$46.9 million to \$49.0 million due to an increase in rates;
- IHSS contract and independent providers payments would increase from \$19.2 million to \$21.9 million. This reflects the previously noted increase of \$560,000 to annualize a \$0.65 wage increase that took place during FY 1997-98, plus approximately \$2.2 million for (a) an increase in IHSS provider wages to \$6.65 per hour, or by an additional \$0.25 per hour (\$1.1 million); (b) projected 8.0 percent growth in the hours of service needed by IHSS clients; and (c) the addition of intensive supervision services to the IHSS contract.

In summary, DHS is requesting a total of 62.5 new positions (51 FTE), resulting in additional salary and fringe benefit costs of \$4.3 million annually (at the top step). The FY 1998-99 cost for these positions is approximately \$3.1 million. According to DHS, the General Fund portion of this cost is approximately \$459,000 (15 percent). A summary of position changes is shown below:

<u>Description</u>	<u>Change in FTEs</u>	<u>Salary Cost</u>
Reassignments (to DPH)	(6.0)	\$ (257,012)
Substitutions (37 positions for 35 positions)	2.0	\$ 65,780
Continuing Positions (approved in FY 97-98 original budget)	5.6	\$ 316,269
Positions Approved in Supplemental Appropriation Ordinance	109.0	\$ 6,174,493
New Positions (62.5 new annualized positions)	51.0	\$ 2,465,291
Attrition Savings	(4.4)	\$ (329,274)
Total - Salaries		\$ 8,435,547
Fringe Benefits (25.1%)		\$ 2,117,322
TOTAL	157.2	\$ 10,552,869

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Of the 62.5 new requested positions, 16.5 positions have been approved by the Board of Supervisors in the Interim Appropriation Ordinance and Interim Salary Ordinance. The Budget Analyst is recommending approval of the 46 remaining new positions (34.5 FTE).

In addition, the proposed budget includes approximately \$1.8 million in wage and fringe benefit increases, for total increased personnel costs of approximately \$12.4 million in FY 1998-99 (including \$7.7 million resulting from the supplemental appropriation ordinance approved during FY 1997-98). Non-personnel costs would increase by approximately \$44.7 million (including \$10.9 million resulting from the supplemental appropriation ordinance approved during FY 1997-98). Thus, total budgeted expenditures would increase by \$57.1 million.

Comment:

1. The Mayor's proposed budget provides for an increase of \$57,106,220. Our recommended reductions, which total \$737,135, would still allow for an increase of \$56,369,085 or 18.1 percent in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
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Department: DHS - Human Services

Page			Position/ Equipment	Number	Amount		
No.	Object	Account Title	Number	From To	From	To	Savings
<u>CalWORKS - General Fund (CAG)</u>							
1583	001	Permanent Salaries - Misc.			\$11,720,071	\$11,633,685	*
		*The recommended reduction in Permanent Salaries-Misc. is the total of the following specific recommendations regarding individual classifications.					
1603	001	Attrition Savings - Misc.	9993M		(484,157)	(570,543)	\$86,386
		Increase Attrition Savings based on actual FY 1997-98 expenditure level, adjusted for salary standardization.					
1583	013	Mandatory Fringe Benefits			2,934,730	2,913,047	21,683
		Corresponds to reduction in salaries.					

Food Stamps - General Fund (CAH)

1584	001	Permanent Salaries - Misc.				5,440,313	5,399,597	*
		*The recommended reduction in Permanent Salaries-Misc. is the total of the following specific recommendations regarding individual classifications.						
1604	001	Attrition Savings - Misc.	9993M			(228,198)	(268,914)	40,716
		Increase Attrition Savings based on actual FY 1997-98 expenditure level, adjusted for salary standardization.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
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Department: **DHS - Human Services**

Page No.	Object	Account Title	Position/ Equipment Number		Amount		Savings
			Number	From To	From	To	
584	013	Mandatory Fringe Benefits			\$1,355,540	\$1,345,320	\$10,220
		Corresponds to reduction in salaries.					

Indigent Adults - General Fund (CAJ)

585	001	Permanent Salaries - Misc.			10,858,533	10,778,573	*
		*The recommended reduction in Permanent Salaries-Misc. is the total of the following specific recommendations regarding individual classifications.					
606	001	Attrition Savings - Misc.	9993M		(448,144)	(528,104)	79,960
		Increase Attrition Savings based on actual FY 1997-98 expenditure level, adjusted for salary standardization.					

585	013	Mandatory Fringe Benefits			2,715,164	2,695,094	20,070
		Corresponds to reduction in salaries.					

Medi-Cal - General Fund (CAJ)

586	001	Permanent Salaries - Misc.			8,955,886	8,889,304	*
		*The recommended reduction in Permanent Salaries-Misc. is the total of the following specific recommendations regarding individual classifications.					

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
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Department: **DHS - Human Services**

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
1607	001	Attrition Savings - Misc. Increase Attrition Savings based on actual FY 1997-98 expenditure level, adjusted for salary standardization.	9993M			(\$373,166)	(\$439,748)	\$66,582
1586	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.				2,226,127	2,209,415	16,712

Family and Children Services - General (CAL)

1587	001	Permanent Salaries - Misc. *The recommended reduction in Permanent Salaries-Misc. is the total of the following specific recommendations regarding individual classifications.				16,579,752	16,445,514	*
1609	001	Attrition Savings - Misc. Increase Attrition Savings based on actual FY 1997-98 expenditure level, adjusted for salary standardization.	9993M			(752,353)	(886,591)	134,238
1587	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.				3,981,640	3,947,946	33,694

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **DHS - Human Services**

		Position/ Equipment	Number		Amount		
Object	Account Title	Number	From	To	From	To	Savings
<u>Human Services - General Fund (CAM)</u>							
9 001	Permanent Salaries - Misc.				\$6,444,868	\$6,396,478	*
	*The recommended reduction in Permanent Salaries-Misc. is the total of the following specific recommendations regarding individual classifications.						
2 001	Attrition Savings - Misc.	9993M			(225,613)	(274,003)	\$48,390
	Increase Attrition Savings based on actual FY 1997-98 expenditure level, adjusted for salary standardization.						
9 013	Mandatory Fringe Benefits				1,614,543	1,602,397	12,146
	Corresponds to reduction in salaries.						

Lawless Services - General Fund (CAN)

50 001	Permanent Salaries - Misc.				588,829	584,481	*
	*The recommended reduction in Permanent Salaries-Misc. is the total of the following specific recommendations regarding individual classifications.						
64 001	Attrition Savings	9993M			(24,371)	(28,719)	4,348
	Increase Attrition Savings based on actual FY 1997-98 expenditure level, adjusted for salary standardization.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
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Department: **DHS - Human Services**

Page No.	Object	Account Title	Position/ Equipment Number	Number From	To	Amount From	To	Savings
1590	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.				\$161,933	\$160,842	\$1,091
<u>Administrative Support - General Fund (CAO)</u>								
1592	001	Permanent Salaries - Misc. *The recommended reduction in Permanent Salaries-Misc. is the total of the following specific recommendations regarding individual classifications.				9,149,026	9,066,732	*
1617	001	Clerk Typist	1424	(2)	(1)	(72,338)	(36,169)	(36,169)
1618	001	Account Clerk To disapprove upward reclassification which has not yet been approved by the Director of Human Resources.	1630	5	4	187,000	149,600	37,400
1618	001	Account Clerk	1630	4	5	149,600	187,000	(37,400)
1618	001	Senior Account Clerk To disapprove upward reclassification which has not yet been approved by the Director of Human Resources.	1632	3	2	117,737	78,491	39,246
1620	001	Attrition Savings Increase Attrition Savings based on actual FY 1997-98 expenditure level, adjusted for salary standardization.	9993M			(443,981)	(523,198)	79,217

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **DHS - Human Services**

Page No.	Object	Account Title	Position/ Equipment	Number	Amount		Savings
			Number	From To	From	To	
92	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.				\$2,317,262 \$2,296,606	\$20,656

Program Support - General Fund (CAP)

95	001	Permanent Salaries - Misc. *The recommended reduction in Permanent Salaries-Misc. is the total of the following specific recommendations regarding individual classifications.				5,185,116 5,146,950	*
22	001	Attrition Savings - Misc. Increase Attrition Savings based on actual FY 1997-98 expenditure level, adjusted for salary standardization.	9993M			(213,903) (252,069)	38,166
95	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.				1,261,395 1,251,815	9,580

Children's Baseline - General Fund (FAL)

00	001	Permanent Salaries - Misc. *The recommended reduction in Permanent Salaries-Misc. is the total of the following specific recommendations regarding individual classifications.				1,098,862 1,090,705	*
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RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **DHS - Human Services**

Page No.	Object	Account Title	Position/ Equipment Number	Number From To	Amount From	To	Savings
1623	001	Attrition Savings - Misc. Increase Attrition Savings based on actual FY 1997-98 expenditure level, adjusted for salary standardization.	9993M		(\$45,718)	(\$53,875)	\$8,157
1600	013	Mandatory Fringe Benefits Corresponds to reduction in salaries.			257,583	255,536	2,047
Total Recommended Reductions							<hr/> \$737,135

BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY

Department: HCN COMMUNITY HEALTH NETWORK

Budget Volume:
Budget Page:

IV
1655

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$68,558,271	\$81,087,128	\$12,528,857	18.3 %
Other Department Revenue	332,522,625	376,594,599	44,071,974	13.3
Recoveries	9,740,535	10,459,784	719,249	7.4
Dept. General Fund Revenue	9,029,625	11,898,384	2,868,759	31.8
Supplemental Appropriations	15,775,056		(15,775,056)	-100.0
Total Sources	\$435,626,112	\$480,039,895	\$44,413,783	10.2 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$418,531,056	\$475,192,895	\$56,661,839	13.5 %
Transfer Adjustments				-
Fac. Maint. / Capital Imp.	1,320,000	4,847,000	3,527,000	267.2
Subtotal - Mayor's Budget	\$419,851,056	\$480,039,895	\$60,188,839	14.3 %
Supplemental Appropriations	15,775,056		(15,775,056)	-100.0
Total Uses	\$435,626,112	\$480,039,895	\$44,413,783	10.2 %
Mayor's Listed Positions:				
Permanent	4,996.84	5,243.81	246.97	4.9 %
Temporary	44.63	74.48	29.85	66.9
Attrition Savings	(435.76)	(449.56)	(13.80)	-3.2
Subtotal, Mayor's Budget	4,605.71	4,868.73	263.02	5.7 %
Adjustments (FTE):				
Overtime	36.59	41.32	4.73	12.9 %
Supplemental Appropriations	76.00		(76.00)	-100.0
Other Adjustments				-
Total FTE	4,718.30	4,910.05	191.75	4.1 %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS

1998-99

Department/Division: **HCN - COMMUNITY HEALTH NETWORK**

Financial Data:

The Community Health Network's proposed \$475,192,895 budget for FY 1998-99 is \$56,661,839 or 13.5 percent more than the original FY 1997-98 budget of \$418,531,056. The net increase from the revised FY 1997-98 budget is \$37,943,643 or 8.7 percent.

Summary of Budgeted Activities:

<u>Program</u>	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year 1998-99</u>
	<u>Original</u>	<u>Revised</u>	
CHF - Public Health	\$242,635	\$242,635	\$250,546
SFGH - Acute Care - Forensics	1,893,841	1,893,841	1,952,065
SFGH - Acute Care - Hospital	288,715,325	304,979,995	350,796,816
SFGH - Acute Care - Psychiatry	19,508,889	19,816,803	20,719,738
SFGH - Ambu Care - Adult Med Health Center	1,632,325	1,688,809	2,585,855
SFGH - Ambu Care - Family Health Center	2,571,510	2,571,510	2,832,799
SFGH - Ambu Care - Methadone Grant	505,360	505,360	523,628
SFGH - Ambu Care - Occupational Health	1,427,766	2,070,989	2,267,936
SFGH - Ambu Care - Women's Health Center	1,667,247	1,779,342	1,907,302
SFGH - Early Intervention - Poison Control	0	0	0
SFGH - Emergency - Emergency	9,505,646	9,566,120	10,344,258
SFGH - Emergency - Psychiatric Services	3,867,077	3,921,077	4,038,743
SFGH - Long Term Care - RF Psychiatry	12,387,897	12,387,897	13,202,636
Laguna Honda - Long Term Care	111,215,748	111,310,056	118,872,001
Laguna Honda - Comm Support Care	873,366	873,366	901,871
Laguna Honda - Acute Care	1,555,118	1,555,162	1,572,364
Primary Care - Ambu Care - Health Centers	25,660,696	28,286,307	37,879,504
Forensics - Ambulatory Care	19,667,998	20,353,215	21,781,740
Primary Care - Comm Supp - IHSS	633,415	633,415	730,357
Children's Baseline	10,907,387	10,907,483	11,235,695
Total	\$514,439,246	\$535,343,382	\$604,395,854
Transfer Adjustment	<u>(95,908,190)</u>	<u>(98,094,130)</u>	<u>(129,202,959)</u>
Net Operating Expenditures	\$418,531,056	\$437,249,252	\$475,192,895

Facilities Maint/Capital Improv Projects

SFGH - Acute Care - Hospital	\$1,120,000	\$4,095,770	\$1,660,000
Laguna Honda - Long Term Care	200,000	200,000	3,057,000
Primary Care-Ambu Care Health Centers	0	0	130,000
Sub Total	\$1,320,000	\$4,295,770	\$4,847,000
Net Total Expenditures	\$419,851,056	\$441,545,022	\$480,039,895

**RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS**

1998-99

Department/Division: HCN - COMMUNITY HEALTH NETWORK

Department Revenue Changes:

San Francisco General Hospital: SFGH's revenues for FY 1998-99 have increased by \$51,914,907, or 15.2 percent, from the revised 1997-98 budget after adjustments were made in several supplemental appropriations during FY 1997-98. Most notably, a supplemental appropriation in May 1998 appropriated new patient revenue (primarily Medi-Cal), consistent with greater than anticipated inpatient utilization of acute care services, in the amount of \$15,501,323, as well as new expenditures for staffing, services, equipment and pharmaceuticals. These revenues were offset by increased costs in the aforementioned supplemental appropriations. Other major adjustments to SFGH revenues include new revenues of \$6.0 million from the San Francisco Health Plan to provide health care to In-Home Supportive Services (IHSS) workers, offset by increased expenditures; a \$46.4 million increase in Medi-Cal revenues primarily due to the annualization of a May 1998 supplemental appropriation; and a \$1.3 million increase in Insurance Revenues due to the SFGH's takeover of the Workers' Compensation Clinic of the contract services formerly performed at the University of California at San Francisco/Mt. Zion Hospital Workers' Compensation Clinic. The General Fund's contribution to the SFGH Hospital Fund decreased by \$4,915,150 (from \$17,784,380 in FY 1997-98 to \$12,869,230 in FY 1998-99).

Laguna Honda Hospital: LHH revenues for FY 1998-99 show a decrease of \$1.79 million in Medi-Cal revenue and a decrease of \$0.5 million in Medicare revenue for acute care services provided to long term care patients. The General Fund contribution to the LHH Fund for FY 1998-99 is \$21,503,182 or \$9,897,648 more than the FY 1997-98 contribution of \$11,605,534.

Primary Care - Ambulatory Care (Health Centers): Overall, revenues for this program have increased by \$2,624,090 (from \$9,893,193 in FY 1997-98 to \$12,517,283 in FY 1998-99) due primarily to increases for outpatient services provided under the Federally Qualified Health Centers (FQHC) rate schedule.

Department Expenditures:

The increase in net Community Health Network (HCN) operating expenditures from the FY 1997-98 original budget is \$40.9 million. The annualization of supplemental appropriations approved in FY 1997-98 represent \$22.2 million of this increase.

Major new initiatives and expenditures in the proposed budget are summarized below:

- Cost of Living Allowance (COLA) – A COLA of 3 percent is provided for the Affiliation Agreement between the CHN and the University of California, San Francisco which provides physician and clinical staff for SFGH. The COLA will total \$1.6 million in new expenditures in FY 1998-99.
- Health Insurance Coverage for In-Home Supportive Services (IHSS) Workers – Beginning in FY 1998-99, the CHN would participate in an arrangement to provide health care insurance coverage to approximately 4,500 IHSS workers who provide services under contract with the Department of

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **HCN - COMMUNITY HEALTH NETWORK**

Human Services (DHS) and obtain Federal reimbursement for a portion of those costs. Through a work order arrangement with DHS, the CHN would transfer \$4.7 million to DHS in order to leverage Federal matching funds of \$3.2 million, for a total of \$7.9 million, which would then be paid to the San Francisco Health Plan for health insurance premiums. Of the \$7.9 million, \$1.9 million would be retained by the San Francisco Health Plan for administrative and out-of-network health care costs and \$6 million would be paid to the CHN. Under the Mayor's proposed budget, of the \$6 million to be paid to the CHN, expenditures of \$5.5 million are budgeted to provide health services to the 4,500 IHSS workers and the balance of \$0.5 million is used to reduce the CHN's FY 98-99 allocation from the General Fund. According to the Department of Public Health, the CHN's actual costs to provide health care services for the IHSS workers are estimated at \$6 million. DPH advises that, therefore, the CHN will be underfunded by \$0.5 million in FY 98-99.

The proposed Community Health Network budget also includes nine new initiatives that will provide new or additional services to San Francisco residents and clients of the Community Health Network. These new programs represent new expenditures of approximately \$2.6 million, including \$1.0 million in new General Fund expenditures in FY 1998-99. On an annual basis, the total cost of these new initiatives is \$3.5 million, including \$1.7 million in new General Fund expenditures. The new initiatives, by program area, are as follows:

- SFGH – (1) An increase in an existing contract with UCSF to provide 50 new methadone treatment clinic slots at \$200,000 in FY 1998-99, or \$390,000 annually; (2) expansion of a piloted program to provide case management services for frequent users of SFGH's Emergency Department at \$565,000 in FY 1998-99, the annualized costs are identical; and (3) development of an evening and weekend urgent care clinic at SFGH in order to divert patients from the Emergency Department at \$500,000 in FY 1998-99 or \$625,000 annually.
- Primary Care Health Centers – (1) The expansion of services at the Balboa Teen Clinic at \$82,347 in FY 98-99 or \$109,796 annually; (2) expanded Family Planning Services at \$260,796 in FY 1998-99, the annualized costs are identical; and (3) two initiatives to centralize and improve the Primary Health Nursing billing system at \$168,726 in FY 1998-99, or \$287,648 annually.
- Laguna Honda Hospital – (1) The creation of three new wards at Laguna Honda Hospital for care of patients with complex medical/psychiatric, geropsychiatric, and neurobehavioral conditions at \$657,000 in FY 1998-99 or \$1,138,534 annually; and (2) a new substance abuse program at \$146,748, the annualized cost is identical.

In addition to the changes in operating expenses described above, the Facilities Maintenance/ Capital Improvements budget for the HCN has increased by \$3,527,000 (\$1,320,000 in FY 1997-98 to \$4,847,000 in FY 1998-99). However, the increase in the Facilities Maintenance/ Capital Improvements from the revised FY 1997-98 budget is \$551,230.

In summary, the HCN's recommended FY 1998-99 budget includes net General Fund support of \$12,528,857 more than FY 1997-98 (from \$68,558,271 in FY 1997-98 to \$81,087,128 in FY 1998-99).

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS

1998-99

Department/Division: HCN - COMMUNITY HEALTH NETWORK

Personnel Changes:

The proposed budget includes an increase of 263.02 new full-time equivalent (FTE) positions over the FY 1997-98 original budget. The increase in FTEs is primarily due to the addition of new positions during FY 1997-98 through supplemental appropriations (148.67 FTE new positions) and three new work orders with Public Health (49.81 FTE new positions). The proposed budget also includes 22.35 FTE positions transferred from other Departments, including 12.92 FTE positions transferred from Public Health. The net change in FTEs, taking into account changes in temporary FTEs, transfers, attrition savings and overtime, is 35.43 new FTEs. These 35.43 new FTEs (representing 51.65 FTE new positions on an annual basis) are for the new initiatives described earlier in this report, and are allocated as follows:

<u>Program</u>	Proposed FY 1998-99 FTEs	Annualized Number of FTEs
Health Care Coverage for IHSS Workers	5.40	7.20
SFGH - Urgent Care Program	7.44	9.60
Primary Care - Centralized PHN Referral Function	0.86	1.00
Primary Care - Encounter Based PHN Billing System	3.85	3.85
Primary Care - Family Planning	4.50	7.00
Primary Care - Balboa Teen Clinic	1.88	3.40
LHH - Substance Abuse	1.00	1.00
LHH - Care of Complex Clients	<u>10.50</u>	<u>18.60</u>
Total	35.43	51.65

The Budget Analyst is recommending approval of 49.65 of these 51.65 new positions.

The Department has included 5.85 grant funded positions in the proposed FY 1998-99 budget with annual salaries totaling \$570,251. These salaries, mandatory fringe benefits and other related costs are fully funded from the grant revenues.

Comments:

The Mayor's budget for FY 1998-99 provided an increase of \$56,661,839 over the budget for FY 1997-98. Our recommended reductions, which total \$133,603, would still allow an increase of \$56,528,236 or 13.5 percent in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: HCN - Community Health Network

Page			Position/ Equipment		Number		Amount		
No.	Object	Account Title	Number	From	To	From	To	Savings	

SFGH-Acute Care-Hospital (DIH)

1683	060	Equipment Purchase				\$1,828,995	\$1,823,995	*	
		* This recommendation in Equipment Purchase is the total of the following specific recommendations.							
1784	060	586/200 Pentium PC	HG280	2	0	5,000			\$5,000
		The Department advises that these computers are not required.							

Primary Care-Ambu Care-Health Centers (DHP)

1712	001	Permanent Salaries - Misc.				10,884,647	10,864,262	*	
		* This recommendation in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual job classifications.							
1764	001	Health Care Billing Clerk I	1635	2	1.5	81,542	61,157		20,385
		The Department advises that this position is not essential.							

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: HCN - Community Health Network

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
12	013	Mandatory Fringe Benefits				\$4,682,470	\$4,677,578	\$4,892
		Corresponds to reductions in salaries.						
13	060	Equipment Purchase				1,097,236	1,049,986	*
		* This recommendation in Equipment Purchase is the total of the following specific recommendations.						
96	060	Computers	HP293	100	100	150,000	128,500	21,500
		Reduce to actual cost of equipment.						
96	060	Lexmark Printers	HP 294	50	50	100,000	74,250	25,750
		Reduce to actual cost of equipment.						
<u>Perinatal Services-Ambulatory Care (DMF)</u>								
70	060	Equipment Purchase				140,040	126,315	*
		* This recommendation in Equipment Purchase is the total of the following specific recommendations.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: HCN - Community Health Network

Page No.	Object	Account Title	Position/ Equipment Number	Number		Amount		Savings
				From	To	From	To	
1798	060	Computers	HF127R	30	30	\$60,000	\$46,275	\$13,725

Reduce to actual cost of equipment.

Laguna Honda Hospital-Long Term Care (DA5)

1707	001	Permanent Salaries - Misc.				56,357,583	56,323,429	*
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* This recommendation in Permanent Salaries - Misc. is the total of the following specific recommendations regarding individual job classifications.

1755	001	Unit Clerk	1428N	1.5	1.0	52,207	34,805	17,402
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The Department is requesting 3 new Unit Clerk positions (each budgeted at 0.5 FTE). We are recommending approval of two of the three new 0.5 FTE requested new Unit Clerk positions. The Department advises that this one 0.5 FTE position is not essential.

1756	001	Sr. Physician Specialist	2232N	1.75	1.75	197,989	181,237	16,752
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Reduce for timing. Position was budgeted to begin on July 1, 1998 but will not be filled before September 1, 1998.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: HCN - Community Health Network

Object	Account Title	Position/ Equipment	Number		Amount		Savings
		Number	From	To	From	To	
7 013	Mandatory Fringe Benefits				\$20,030,627	\$20,022,430	\$8,197
	Corresponds to reductions in salaries.						
Total Recommended Reductions							<u>\$133,603</u>

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: HPH PUBLIC HEALTH

**Budget Volume: IV
Budget Page: 1800**

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund Unallocated	\$84,208,641	\$100,452,696	\$16,244,055	19.3 %
Other Department Revenue	220,970,734	208,754,112	(12,216,622)	-5.5
Recoveries	3,606,404	6,925,498	3,319,094	92.0
Dept. General Fund Revenue	14,124,246	12,679,952	(1,444,294)	-10.2
Supplemental Appropriations	262,415		(262,415)	-100.0
Total Sources	\$323,172,440	\$328,812,258	\$5,639,818	1.7 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$322,740,025	\$327,222,258	\$4,482,233	1.4 %
Fac. Maint. / Capital Imp.	170,000	1,590,000	1,420,000	835.3
Subtotal - Mayor's Budget	\$322,910,025	\$328,812,258	\$5,902,233	1.8 %
Supplemental Appropriations	262,415		(262,415)	-100.0
Total Uses	\$323,172,440	\$328,812,258	\$5,639,818	1.7 %
Mayor's Listed Positions:				
Permanent	1,344.20	1,337.34	(6.86)	-0.5 %
Temporary	15.75	12.75	(3.00)	-19.0
Attrition Savings	(80.80)	(93.30)	(12.50)	-15.5
Project Positions	(13.00)	(13.00)		-
Subtotal, Mayor's Budget	1,266.15	1,243.79	(22.36)	-1.8 %
Adjustments (FTE):				
Overtime	2.95	3.20	0.25	8.3 %
Supplemental Appropriations	28.20		(28.20)	-100.0
Other Adjustments				-
Total FTE	1,297.30	1,246.99	(50.31)	-3.9 %

**RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS**

1998-99

Department: **HPH - Public Health**

Financial Data:

The Public Health Department's proposed \$327,222,258 operating budget for FY 1998-99 is \$4,482,233 or 1.4 percent more than the original FY 1997-98 operating budget of \$322,740,025. The net increase from the revised FY 1997-98 budget to the proposed FY 1998-99 budget is \$175,839 or 0.1 percent.

Summary of Budgeted Activities by Program

<u>Program</u>	Fiscal Year 1997-98		Fiscal Year
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Children's Services-Mental Health	\$305,584	\$305,584	\$314,375
Public Health DMSF	-	28,185	-
Mental Health - Emergency Care	784,850	784,850	799,866
Central Administration	166,883,140	167,401,252	199,052,131
Community Health - Administration	7,469,513	7,483,939	7,352,796
Mental Health - Early Intervention	98,377	98,377	98,377
Substance Abuse - Early Intervention	1,808,594	1,808,594	1,863,139
Mental Health - Long Term Care	18,011,243	17,989,715	17,872,319
Mental Health - Community Care	146,564,323	146,629,212	150,711,000
Substance Abuse - Community Care	33,772,852	36,365,516	34,676,444
Community Health Prev - BEHM	11,564,167	11,798,762	11,455,060
Community Health - Disease Control/AIDS	83,685,265	84,245,031	75,696,625
Community Health - Prevention EMSA	1,736,670	2,186,047	1,634,510
Community Health - Prevention Health Education	1,299,675	2,384,197	2,223,867
Community Health - Prevention Maternal & Child Health	9,439,154	9,636,676	9,169,785
Community Health - OSH	666,869	820,205	818,392
Mental Health - Acute Care	2,435,192	2,435,192	2,332,620
Substance Abuse - Acute Care	2,501,603	2,501,603	2,501,603
Community Support - EAP	344,456	370,619	425,313
Mental Health - Community Support	4,007,490	4,007,490	4,007,490
Community Support - Housing	1,159,118	1,184,484	4,667,851
Substance Abuse - Community Support	1,316,356	1,316,356	1,316,356
Substance Abuse - Prevention	1,175,476	1,207,309	1,175,476
Children's Baseline	17,870,915	17,874,153	18,322,444
Mental Health - Children's Baseline	5,917,000	6,251,592	6,917,000
Transfer Adjustments and Recoveries	(198,077,857)	(200,068,521)	(228,182,581)
Total Operating Expenditures	\$322,740,025	\$327,046,419	\$327,222,258
Facilities Maintenance-Capital Projects	170,000	90,000	1,590,000
Total All Programs	\$322,910,025	\$327,136,419	\$328,812,258

BOARD OF SUPERVISORS — BUDGET ANALYST

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **HPH - Public Health**

Department Revenues:

Major revenue changes for FY 1998-99 include:

- Decreased State Realignment Revenue due to the State Controller's allocation of Vehicle License Fees (\$1,700,000);
- Decreased Federal and State Recurring Grant Revenue for the Disease Control/AIDS program (approximately \$5.5 million);
- Decreased Federal Recurring Grant Revenue for Substance Abuse Treatment (\$3,145,000);
- Decreased Medicare revenue due to disallowance of partial day hospitalization reimbursements by the State (\$600,000);
- Decreased Mental Health Realignment Revenue (\$1,000,000);
- Decreased Maternal and Child Health Grant Revenue (\$420,000);
- Decreased General Fund Intrafund Revenue Transfer (\$1,700,000) offset by increased General Fund Unallocated Revenue.

Reductions to Federal and State Grant revenue for AIDS programs and Substance Abuse are expected to be replaced by new grant funds. However, such grant funding is not included in the FY 1998-99 budget. The Department of Public Health will submit legislation to the Board of Supervisors requesting authorization to accept and expend new grant funds as they are awarded.

Department Expenditure Changes by Program

Major changes in Public Health expenditures include the following:

- Approximately \$3,000,000 for full year operation of the Mission Rock Homeless Shelter. The Department opened the shelter in January, 1998, funded from savings in non-personal services within the HPH budget and proposes full year funding for FY 1998-99;
- Increased General Fund support for Substance Abuse Treatment on Demand (approximately \$1.7 million) to continue progress toward elimination of waiting lists;

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **HPH - Public Health**

- Increased Mental Health – Community Care (approximately \$2.2 million General Fund and \$1.9 million non General Fund revenue);
- An increase of \$800,000 to provide cost of living increases of approximately three percent overall to Mental Health and Substance Abuse residential care providers; and,
- Overall decreased spending of approximately \$8.0 million in Disease Control/AIDS services due to decreased grant funding. As noted above, the Department expects to replace discontinued grant funding with new grant revenues during the 1998-99 Fiscal Year.

Although not shown as an increase in net HPH expenditures, the FY 1998-99 budget includes a \$33,000,000 increase in local matching funds for SB 855 Disproportionate Share MediCal Revenue. In prior years, such increased matching funds were added by supplemental appropriation during the Fiscal Year. In total, \$99,422,124 in SB 855 matching funds is included in the FY 1998-99 budget. These matching funds will generate an estimated total of \$138,446,370 in Disproportionate Share MediCal Revenue for the Community Health Network (HCN), thus producing an estimated net revenue benefit to the City of \$39,024,246.

Personnel Changes

HPH personnel changes, which result in a net reduction of 22.36 FTE include the following:

- A net reassignment of 12.92 FTE from the HPH to HCN – Community Health Network;
- Conversion of contract staff to HPH employees (funded from reductions to professional service contracts) and miscellaneous offsetting decreases that increase FTEs by 37.49;
- Decreased grant funding positions due to the reductions to Federal and State Grant revenue described above, reducing FTEs by 61.38;
- A net reduction of 15.31 FTE in Work Order positions throughout the HPH;
- A net increase of 16.84 FTE in new positions, including 0.75 for Substance Abuse, 2.5 for the Mission Rock Homeless Shelter, 2.34 for AIDS/HIV Services and 11.25 FTE supported by new revenue for Records & Statistics, the Community Health – Prevention program and California Children's Services.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS

1998-99

Department: HPH - Public Health

Also, the HPH's FY 1997-98 budget includes position substitutions for reclassification of 74 positions, including 20 Information Technology (IT) positions. Each of the reclassifications has been approved by the Human Resources Department.

Comments:

In our report to the Finance Committee for the budget hearing of June 18, 1998, the Budget Analyst recommended disapproval of two new positions, a 1842 Management Assistant and a 1824 Principal Administrative Analyst at 0.3 FTE. The Department of Public Health testified to the Committee that the 1842 Management Assistant position is currently filled, using temporary salaries, and that the 1824 Principal Administrative Analyst at 0.3 FTE was previously a full time grant funded position, but is performing non-grant related work for 30 percent of the time. Because these positions are currently filled, the Budget Analyst is recommending Attrition Savings increases that result in budget reductions equivalent to the previously recommended position deletions. Since the positions are filled, we consider a decision to delete the two new positions instead of increasing Attrition Savings to be a policy decision for the Finance Committee.

The Mayor's budget provides for an increase of \$4,482,233. Our recommended reductions, which total \$181,773, would still allow an increase of \$ 4,300,460 or 1.3% in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **HPH - Public Health**

Page			Position/ Equipment	Number		Amount		
No.	Object	Account Title	Number	From	To	From	To	Savings
<u>Community Health - Central Administration (DHA)</u>								
1860	001	Permanent Salaries - Misc. * The recommended reduction in Pe * The recommended reduction in tot Permanent Salaries - Misc. is the rec total of the following specific recommendations.				\$2,564,716	\$2,515,216	*
1968	001	Attrition Savings Increase Attrition Savings to more closely reflect 1997-98 expenditure rates adjusted for salary increases.	9993M	(4.25)	(5.10)	(249,295)	(298,795)	\$49,500
1860	013	Mandatory Fringe Benefits Corresponds to reduction in Permanent Salaries - Misc.				596,065	584,225	11,840
1862	060	Equipment Purchase * The recommended reduction in equipment is the total of the following specific recommendations.				661,241	642,509	*
2048	060	Personal Computers Reduction to more accurately reflect the price for personal computers paid by the City through City approved vendors. This reduces the per unit price of the personal computers from \$2,700 per computer to \$2,010 per computer.	HP001N	18	18	48,600	36,180	12,420

**RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99**

Department: **HPH - Public Health**

Page No.	Object	Account Title	Position/ Equipment Number	Number From	To	Amount From	To	Savings
2048	060	Laptop Computers	HP005N	3	3	\$15,000	\$12,300	\$2,700
		Reduction taken to more accurately reflect the price for personal computers paid by the City through City approved vendors. This reduces the per unit price of the laptop computers from \$5,000 per laptop to \$4,100 per laptop.						
2048	060	Printers	HP007N	7	5	12,641	9,029	3,612
		The Department has not adequately justified the need for 7 laser printers. However the Budget Analyst is recommending approval of 5 of the 7 printers requested.						
Community Health - Administration (DHC)								
1872	001	Permanent Salaries - Misc.				3,707,209	3,685,449	*
		* The recommended reduction in Permanent Salaries - Misc. is the total of the following specific recommendations.						
1976	001	Attrition Savings	9993M	(7.47)	(7.88)	(398,346)	(420,106)	21,760
		Increase Attrition Savings to more closely reflect 1997-98 expenditure rates adjusted for salary increases.						
1872	013	Mandatory Fringe Benefits				908,168	902,946	5,222
		Corresponds to reduction in Permanent Salaries - Misc.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **HPH - Public Health**

Page No.	Object	Account Title	Position/ Equipment Number	Number From	To	Amount From	To	Savings
1872	060	Equipment Purchase				\$74,558	\$57,488	*
		* The recommended reduction in equipment is the total of the following specific recommendations.						
2050	060	Personal Computers	HP001N	16	16	43,200	32,160	\$11,040
		Reduction to more accurately reflect the price for personal computers paid by the City through City approved vendors. This reduces the per unit price of the personal computers from \$2,700 per computer to \$2,010 per computer.						
2050	060	Printers	HP007N	7	5	13,300	9,030	4,270
		Reduction of \$4,270 taken to reduce the number of laser printers from 7 to 5, and to reduce the unit cost of each printer by \$94, to maintain a consistent unit cost of \$1,806 for this particular piece of equipment. This results in an overall reduction of \$658 for the price adjustment and \$3,612 for the two units the Budget Analyst recommends disapproving. However, we are recommending approval of 5 of the 7 printers requested.						

Mental Health - Community Care (DMM)

1878	060	Equipment Purchase				201,148	154,849	*
		* The recommended reduction in equipment is the total of the following specific recommendations.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **HPH - Public Health**

Page No.	Object	Account Title	Position/ Equipment Number	Number From To		Amount From To		Savings
2052	060	Personal Computers	HP001	53	53	\$143,100	\$106,530	\$36,570
		Reduction to more accurately reflect the price for personal computers paid by the City through City approved vendors. This reduces the per unit price of the personal computers from \$2,700 per computer to \$2,010 per computer.						
2052	060	Printers	HP024	29	20	31,342	21,613	9,729
		The Department has not adequately justified the purchase of 29 new printers. The Budget Analyst recommends disapproval of 9 of the 29 new printers requested by the Department.						
<u>Community Health Prevention BEHM (DPB)</u>								
1886	060	Equipment Purchase				42,000	39,930	*
		* The recommended reduction in equipment is the total of the following specific recommendations.						
2053	060	Personal Computers	HP001	3	3	8,100	6,030	2,070
		Reduction to more accurately reflect the price for personal computers paid by the City through City approved vendors. This reduces the per unit price of the personal computers from \$2,700 per computer to \$2,010 per computer.						

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **HPH - Public Health**

Page			Position/ Equipment	Number		Amount		
No.	Object	Account Title	Number	From	To	From	To	Savings
<u>Community Health Prevention - Disease Control/AIDS (DPD)</u>								
1893	060	Equipment Purchase • The recommended reduction in equipment is the total of the following specific recommendations.				\$46,100	\$41,270	•
2055	060	Personal Computers Reduction to more accurately reflect the price for personal computers paid by the City through City approved vendors. This reduces the per unit price of the personal computers from \$2,700 per computer to \$2,010 per computer.	HP001	7	7	18,900	14,070	\$4,830
<u>Community Health Prevention - EMSA (DPE)</u>								
1932	060	Equipment Purchase • The recommended reduction in equipment is the total of the following specific recommendations.				10,000	7,930	•
2061	060	Personal Computers Reduction to more accurately reflect the price for personal computers paid by the City through City approved vendors. This reduces the per unit price of the personal computers from \$2,700 per computer to \$2,010 per computer.	HP001	3	3	8,100	6,030	2,070

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: **HPH - Public Health**

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
Community Health Prevention - Maternal and Child Health (DPM)								
940	060	Equipment Purchase				\$23,800	\$19,660	*
		* The recommended reduction in equipment is the total of the following specific recommendations.						
063	060	Personal Computers	HP001	6	6	16,200	12,060	\$4,140
		Reduction to more accurately reflect the price for personal computers paid by the City through City approved vendors. This reduces the per unit price of the personal computers from \$2,700 per computer to \$2,010 per computer.						

Total Recommended Reductions

\$181,773

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: GEN GENERAL CITY RESPONSIBILITY

**Budget Volume: VI
Budget Page: 2648**

	<u>FY 1997-98 Budget</u>	<u>Mayor's FY 1998-99 Budget</u>	<u>Change</u>	<u>Percent Change</u>
Mayor's Revenue Amounts:				
General Fund Unallocated	\$193,859,172	\$233,654,437	\$39,795,265	20.5 %
Other Department Revenue	170,963,635	156,270,849	(14,692,786)	-8.6
Recoveries	200,000		(200,000)	-100.0
Dept. General Fund Revenue				-
Supplemental Appropriations				-
Total Sources	\$365,022,807	\$389,925,286	\$24,902,479	6.8 %
Mayor's Expenditure Amounts:				
Operating Expenditures	\$273,418,303	\$294,192,437	\$20,774,134	7.6 %
Debt Service	91,604,504	95,732,849	4,128,345	4.5
Fac. Maint. / Capital Imp.				-
Subtotal - Mayor's Budget	<u>\$365,022,807</u>	<u>\$389,925,286</u>	<u>\$24,902,479</u>	<u>6.8 %</u>
Supplemental Appropriations				-
Total Uses	\$365,022,807	\$389,925,286	\$24,902,479	6.8 %
Mayor's Listed Positions:				
Permanent	6.00	6.00		- %
Temporary				-
Attrition Savings				-
Project Positions	<u>(6.00)</u>	<u>(6.00)</u>		
Subtotal, Mayor's Budget				- %
Adjustments (FTE):				
Overtime				- %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE				- %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **GEN – General City Responsibilities**

Financial Data:

The General City Responsibilities' proposed \$389,925,286 budget for FY 1998-99 is \$24,902,479 or 6.8 percent more than the original FY 1997-98 budget of \$365,022,807. The net increase from the revised FY 1997-98 budget to the proposed FY 1998-99 budget is \$64,284,486 or 19.7 percent.

Summary of Budgeted Activities:

<u>Activity</u>	<u>Fiscal Year 1997-98</u>		<u>Fiscal Year</u>
	<u>Original</u>	<u>Revised</u>	<u>1998-99</u>
Health Service Subsidy	\$14,570,048	\$14,570,048	\$17,896,246
Judgments and Claims	3,302,957	12,052,957	3,300,000
Data Processing	9,597,985	9,597,985	8,358,960
Neighborhood Crime Prevention Programs	800,000	800,000	800,000
Peninsula corridor Joint Powers Board	4,225,774	4,225,774	4,648,351
Childcare Expenses – SEIU	228,750	228,750	228,750
Public Safety augmentation	55,437,000	55,437,000	60,538,000
Attorney's Fees	750,000	750,000	750,000
Reserves	40,079,993	13,539,866	65,143,325
Transferred Expenses	143,539,442	121,337,512	131,464,236
Other	886,354	886,354	886,354
General Fund – Equipment/Lease Purchase	0	0	178,215
Subtotal	<u>\$273,418,303</u>	<u>\$233,426,246</u>	<u>\$294,192,437</u>
Debt Service	<u>91,604,504</u>	<u>92,214,554</u>	<u>95,732,849</u>
Total Expenditures	<u>\$365,022,807</u>	<u>\$325,640,800</u>	<u>\$389,925,286</u>

Departmental Revenues:

The General Fund Unallocated revenues would increase by \$39,795,265, or by 20.5 percent, from \$193,859,172 to \$233,654,437. Total revenue sources, which include subventions and transfers from other funds, would increase by \$24,902,479, or 6.8 percent, from \$365,022,807 to \$389,925,286.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: GEN – General City Responsibilities

Comments:

The General City Responsibilities budget is comprised of general responsibilities not covered by other City departments. Including debt service, the programs included for the General City Responsibilities' proposed 1998-99 budget, which total \$389,925,286, are as follows:

Health Service Subsidy \$17,896,246

This amount subsidizes the cost of health coverage for retired employees of the General Fund departments.

Judgments and Claims 3,300,000

The appropriation pays the estimated judgment and claims costs for most General Fund departments.

Data Processing 8,358,960

This amount represents General Fund data processing costs which are not attributable to specific departments (\$8,108,960), which includes division management and supervision, financial administration, accounting, billing, storekeeping, clerical and program support. These multi-departmental maintenance activities cannot accurately be charged to departments. Also included is \$250,000 for the City's Court Management System.

Neighborhood Crime Prevention Programs 800,000

Proposition Q, approved by the voters in November, 1994, provides \$900,000 each fiscal year for the three-year period beginning with FY 1995-96 for neighborhood crime prevention programs. (The amount of \$800,000 is net of a transfer of \$100,000 to the Mayor's Office as a result of Proposition Q.) The funds are to be administered by the Mayor's Criminal Justice Council to provide funds necessary to augment its existing capacity to make grants in support of programs that will contribute to reducing crime in neighborhoods.

Peninsula Corridor Joint Powers Board 4,648,351

The payment to the Peninsula Corridor Joint Powers Board represents San Francisco's share for CalTrans.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: GEN – General City Responsibilities

Childcare Expenses – SEIU

\$228,750

This amount includes \$103,750 for childcare expenses for Nurses represented by SEIU and \$125,000 for miscellaneous employees represented by SEIU pursuant to a Memoranda of Understanding.

Public Safety Augmentation

60,538,000

This is a result of a one-half cent Sales & Uses Tax for Public Safety Funds. The funds are transferred to the Police and Fire Departments.

Attorney's Fees

750,000

The \$750,000 in funding for expert witness and investigation fees is set aside by the Superior Court and is accounted for in this budget separately from other defense-related costs to facilitate identifying costs to defend indigents, who are accused of committing capital crimes, should State funds become available to fund these costs.

Reserves

65,143,325

The Unappropriated Revenue – Reserved and Unappropriated Revenue – Unreserved were previously included only in the annual Appropriation Ordinance and not in the Mayor's budget. They were included in the General City Responsibilities budget for the first time in Fiscal Year 1997-98. In Fiscal Year 1998-99, they are included as follows:

Unappropriated Revenue – Reserved	\$45,143,325
Unappropriated Revenue – Unreserved (General Fund Reserve)	20,000,000

Transferred Expenses

131,464,236

Transferred Expenses includes funds that are received by the City and divided pursuant to appropriate State mandates to other City departments and other transfers to balance the General Fund as follows:

Other Operating Transfers Out	27,111,370
Intrafund Transfers Out	104,352,866

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: GEN – General City Responsibilities

Other \$886,354

This includes items such as administrative costs for processing unemployment claims, fingerprinting, tuition reimbursement, tax payments for Midtown Park Apartments and \$500,000 for the Year 2000 Project. The Year 2000 Project funds are requested to modify existing computer systems to accommodate the year 2000.

Debt Service 95,732,849

This amount represents the principle and interest payments for outstanding General Obligation bonds

Other Fixed Charges 178,215

First year cost of Equipment procured by General Fund departments under a lease/purchase agreement and financed by the City and County of San Francisco Finance Corporation.

TOTAL \$389,925,286

Comments:

The Mayor's budget provides for an increase of \$24,902,479. Our recommended reductions, which total \$1,091,585 would still allow an increase of \$23,810,894 or 6.5 percent in the Department's budget.

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department: GEN - General City Responsibilities

Page No.	Object	Account Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
2651	013	Mandatory Fringe Benefits				\$17,896,246	\$16,804,661	\$1,091,58
		<p>The recommended reduction deletes the General Fund allocation to pay for the Health Service System's administrative costs incurred for services provided to the San Francisco Unified School District (SFUSD) and the San Francisco Community College District. These administrative costs should be paid by the two School Districts and not by the City's General Fund. Recovery of these costs from the two School Districts is not included in the FY 1998-99 budget although such recoveries have been included in the past. The recoveries from the School Districts were not included in the budget because SFUSD was considering withdrawing from the City's Health Service System. Since no such action has been taken by SFUSD to withdraw from Health Service System, the recovery from the two School Districts should be reinstated, thereby eliminating the need for General Fund support.</p>						

Total Recommended Reductions

\$1,091,58

**BUDGET REVIEW FORM
REVENUE / EXPENDITURE SUMMARY**

Department: CAP CAPITAL & FACILITIES MAINTENANCE PROJECTS

Budget Volume: II
Budget Page: 874

	FY 1997-98 Budget	Mayor's FY 1998-99 Budget	Change	Percent Change
Mayor's Revenue Amounts:				
General Fund	\$16,584,226	\$29,316,228	\$12,732,002	76.8 %
Other Department Revenue	82,193,969	196,138,741	113,944,772	138.6
Supplemental Appropriations				-
Total Sources	\$98,778,195	\$225,454,969	\$126,676,774	128.2 %
Mayor's Expenditure Amounts:				
General Fund Projects	\$14,944,226	\$24,249,228	\$9,305,002	62.3 %
General Fund Supported	1,640,000	5,067,000	3,427,000	209.0
Self Supported Funds	82,193,969	196,138,741	113,944,772	138.6
Subtotal - Mayor's Budget	\$98,778,195	\$225,454,969	\$126,676,774	128.2 %
Supplemental Appropriations				-
Total Uses	\$98,778,195	\$225,454,969	\$126,676,774	128.2 %
Mayor's Listed Positions:				
Permanent				- %
Temporary				-
Attrition Savings				-
Subtotal, Mayor's Budget				- %
Adjustments (FTE):				
Overtime				- %
Supplemental Appropriations				-
Other Adjustments				-
Total FTE				- %

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **CAP - Capital and Facility Maintenance Projects**

Financial Data:

The General Fund and General Fund Supported Capital and Facility Maintenance Projects proposed \$29,316,228 budget for FY 1998-99 is \$12,730,002 or 76.8 percent more than the original FY 1997-98 budget of \$16,584,226.

1998-99 Mayor's Recommended Budget - Capital Projects and Facilities Maintenance

	FY 1997-98 Total Capital <u>Budget</u>	FY 1998-99 Total Capital <u>Recommendation</u>	Increase (Decrease)	Percent <u>Change</u>
General Fund Facilities Maint./Capital Proj.	\$14,944,226	\$24,249,228	\$9,305,002	62.3%
General Fund Supported Departments:				
San Francisco General Hospital	1,120,000	1,660,000	540,000	48.2
Laguna Honda Hospital	200,000	3,057,000	2,857,000	1428.5
Municipal Railway	320,000	350,000	30,000	9.4
Total General Fund & GF Supported	\$16,584,226	\$29,316,228	\$12,732,002	76.8%
Self-Supporting Funds:				
Water Department Operating Fund	\$14,012,530	\$95,474,500	\$81,461,970	581.4%
Clean Water Operating Fund	29,135,000	50,656,000	21,521,000	73.9
Hetch Hetchy Operating Fund	16,145,000	15,972,000	(173,000)	-1.1
Airport Operating Fund	7,094,139	8,895,995	1,801,856	25.4
Convention Facilities	5,512,000	7,443,137	1,931,137	35.0
Open Space Fund	6,533,000	6,342,000	(191,000)	-2.9
Building Inspection		4,637,323	4,637,323	
Port Operating Fund	357,000	3,933,154	3,576,154	1001.7
War Memorial	2,905,300	2,284,632	(620,668)	-21.4
Marina Yacht Harbor	350,000	350,000		
Off-Street Parking	150,000	150,000		
Total Self-Supporting Fund	\$82,193,969	\$196,138,741	\$113,944,772	138.6%
Total All Funds	\$98,778,195	\$225,454,969	\$126,676,774	128.2%

RECOMMENDATIONS OF THE BUDGET ANALYST FOR
AMENDMENT OF BUDGET ITEMS
1998-99

Department/Division: **CAP - Capital and Facility Maintenance Projects**

Comments:

1. The Capital Improvement Advisory Committee (CIAC) prioritized funding requests from the departments into the following categories:

- 101 Continuing Projects
- 102 Security, Life-Safety and Health
- 103 Exterior Preservation-Cost Avoidance
- 104 Property Protection-Cost Avoidance
- 105 Mechanical/Electrical-Cost Avoidance
- 106 Preservation of Interiors-Cost Avoidance
- 107 Preservation of Structures
- 108 Improvement of Building Systems/Components
- 109 Improvement of Working Conditions
- 110 Maintenance/Improvement of Facilities Appearance
- 111 New Facilities

2. The Attachment provides further details of individual General Fund facilities maintenance and capital projects approved in the FY 1998-99 budget totaling \$24,249,228.

3. Overall, the proposed budget of \$196,138,741 for the Self-Supported non-General Fund facilities maintenance and capital projects represents an increase of 138.6% from the FY 1997-98 budget of \$82,193,969. Major increases in Self-Supporting Funds facilities maintenance and capital projects include \$81,461,970 for Water Department Operating Fund projects, \$21,521,000 for Clean Water Operating Fund projects, \$4,637,323 for Building Inspection projects and \$3,576,154 for Port Operating fund projects. Major reductions in facilities maintenance and capital projects include \$620,668 in War Memorial projects.

Recommendations:

None.

Fund	Facilities Maintenance Projects	Capital Projects	Total
General Fund			
Animal Care & Control	\$10,000		\$10,000
Elevator Restoration		\$85,000	85,000
Trial Courts			
Superior Court Maintenance	36,000		36,000
Temp Construction - Drug Court		558,675	558,675
Fire Department	196,000		196,000
Juvenile Probation			
FM - Youth Guidance	200,000		200,000
FM - Log Cabin Ranch	60,000		60,000
Repair Storm Damaged Roads		203,000	203,000
Police			
301 Eddy TTF Building		4,277,000	4,277,000
Treasure Island Training Facility		1,149,400	1,149,400
Various Locations	110,000		110,000
Sheriff	350,000		350,000
Department of Public Works	573,000		573,000
Civic Center District Planning		175,000	175,000
Civic Center Plaza Lighting		450,000	450,000
Harvey Milk Plaza Planning		50,000	50,000
Mid Market Street Planning		800,000	800,000
Third Street Bridge Retrofit		995,000	995,000
Capital Planning		150,000	150,000
Removal of USTS		1,990,000	1,990,000
Citywide Abestos & Lead Abatement		400,000	400,000
Telecommunications & Information Svcs	25,000		25,000
Human Services	25,000		25,000
Community Health Network			
Hazardous Materials Abatement -			
Various Health Centers		40,000	40,000
Fire Alarm Installation - Health Center #1		55,000	55,000
Fire Alarm/Security System - NOM		35,000	35,000
Public Health	80,000		80,000
Painting Exterior at 9 Health Centers		100,000	100,000
Additional Funding ADA Plan		250,000	250,000
Additional Medical Exam Rooms		250,000	250,000
Painting Interior at 10 Health Centers		250,000	250,000
Signage		250,000	250,000
Waiting Areas		210,000	210,000
Reconfigure Eligibility Areas		150,000	150,000
Emergency Generator - Central Office		50,000	50,000
Asian Art Museum	75,000		75,000
Asbestos Removal/Track Lighting		120,000	120,000

Fund	Facilities Maintenance Projects	Capital Projects	Total
Art Commission	\$75,000		\$75,000
Lotta's Fountain Rehabilitation		160,000	160,000
Monument Maintenance	10,000		10,000
Fine Arts Museum	75,000		75,000
Public Library	240,000		240,000
Roof Repairs, Various Branches		250,000	250,000
New Oceanview Branch Library		2,500,000	2,500,000
General Fund			
Recreation and Park Commission	500,000		500,000
Temporary Repair of Conservatory		200,000	200,000
Candlestick Maintenance	600,000		600,000
Mather - Facilities Maintenance	250,000		250,000
Golf - Facilities Maintenance	400,000		400,000
Parks and Squares Fencing	45,000		45,000
Repair Maint./Surface Areas	50,000		50,000
Zoo - Facilities Maintenance	25,000		25,000
Academy of Sciences	75,000		75,000
Administrative Services			
Phone Switch - City Hall		1,000,000	1,000,000
City Hall Facilities Maintenance	2,171,153		2,171,153
Facility Condition Monitoring	175,000		175,000
Disabled Access - Citywide		650,000	650,000
Purchasing	15,000		15,000
Total General Fund Facilities Maintenance and Capital Projects	\$6,446,153	\$17,803,075	\$24,249,228

